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OFFICIAL'S CRITICISM OF DENG XIAOPING NOTED

OWO80418 Tokyo NHK Television Network in Japanese 0300 GMT 8 Jun 87

[From the "Noon Newscast" program]

[Text] At a press conference this morning, Chief Cabinet Secretary Gotoda touched on the controversy over a Japanese Foreign Ministry officials' criticisms of Mr Deng Xiaoping, the most influential Chinese leader, and stated that depending on the results of an investigation into the actual circumstances, Japan's true meaning may be relayed to the Chinese side.

This issue involves a leading official of the Foreign Ministry who, in commenting on Mr Deng Xiaoping's criticism of Japan's position on the Kokario issue and its breaching of the 1 percent of GNP defense spending ceiling, made remarks indicating that Mr Deng Xiaoping did not appear to understand well the overall relations between Japan and China. The Chinese side refuted this official's remarks.

At the press conference, Chief Cabinet Secretary Gotoda stated: The leading official of the Foreign Ministry made his remarks in a friendly talk with reporters, and he did not make official remarks. The government will first listen to the official's true intention in making these remarks, and then, depending on the circumstances, I think, we may give an explanation to the Chinese side. As Japan and China are neighboring countries, sometimes we may have some misunderstandings. However, on such occasions, we should talk to each other about our true intentions and deal with the situation in a calm manner. It is necessary for us to further promote the friendly relations between Japan and China. For this objective, what is most important is for the two countries to make further efforts. These are the remarks made by Chief Cabinet Secretary Gotoda.

Remarks Clarified to PRC

OWO81203 Tokyo KYODO in English 1155 GMT 8 Jun 87

[Text] Tokyo, June 8 KYODO -- Japan told China Monday that recent remarks by a senior Japanese Foreign Ministry official about Chinese leader Deng Xiaoping did not represent the government's view and there had been no intention to slander Deng, a Japanese official said.

Kimio Fujita, director general of the Foreign Ministry's Asian Affairs Bureau, clarified Japan's stance on the matter when he invited Chinese Minister-Councellor Xu Dunxin to his ministry.

Terming the senior official's comment "unofficial and off the record." Fujita said the official, who had asked not to be named in reports on his remarks, in fact meant to say that the actual relations between the two countries have been steadily developing for the past 15 years in economic, personnel and other fields and that this is a major trend in bilateral relations.

"Deng has played a big role in the develoment of friendly bilateral relations and the unnamed official had no intention of slandering and attacking Deng." Fujita was quoted as telling Xu.

Fujita said the senior official made the comments in a spirit of wanting to see the two nations develop closer relations. "It is regrettable if press reports on the remarks have caused China some disquiet," Fujita told Xu.

But Fujita also told the envoy that recent statements made by Deng and other Chinese leaders have not reflected "what we recognize about our country and the Japanese actuality," adding that not a few Japanese feel perplexed about such statements and that they diminish the enthusiasm of those who seriously seek expanded bilateral relations. "This will not be favorable for bilateral relations in the longer term," Fujita said.

Xu replied that he would convey Fujita's comments to his government.

SUMITA RULES OUT FURTHER DISCOUNT RATE CUT

OWO90931 Tokyo KYODO in English 0924 GMT 9 Jun 87

[Text] Kanazawa, June 9 KYODO -- Satoshi Sumita, governor of the Bank of Japan, Tuesday reiterated his intention not to consider a further cut in Japan's official discount rate at present in view of the money supply, stock market activities and other current economic conditions.

Sumita, now visiting the central Japan Sea region for talks with local business leaders, told reporters the key Japanese lending rate, now at 2.5 percent a year, is the lowest among industrial nations.

"Japan is not in a situation where it can relax its credit conditions further in view of the tendency toward increased money supply and spiraling stock prices," he said.

He was commenting on news of a requst made by U.S. President Ronald Reagan at his meeting with Japanese Prime Minister Yasuhiro Nakasone in Venice, Italy, Monday for more Japanese efforts to cut interest rates.

Reagan and Nakasone held their bilateral talks prior to the Venice summit of seven major industrial nations meeting Monday through Wednesday.

In a related development, Bank of Japan officials said the bank plans to continue its policy guiding short-term interest rates lower in line with Reagan's call for lower interest rates.

The current policy has helped stabilize the yen-dollar exchange rates, the officials said.

The interest rate on one-month notes stood at 3.625 percent.

GOTODA RENEWS CALL TO TOTALLY LIFT U.S. TARIFFS

OWO90413 Tokyo KYODO in English 0408 GMT 9 Jun 87

[Text] Tokyo, June 9 KYODO -- Japan reiterated its call Tuesday for a total lifting of U.S. punitive tariffs on selected Japanese products.

Commenting on an American decision to partially remove the sanctions, Chief Cabinet Secretary Masaharu Gotoda said: "The step is in a right direction, coming at this hard time when Japan is under a severe scrutiny by the U.S. Congress."

Gotoda was referring to the news that United States will end 51 million dollars worth of duties on 20-inch color television sets out of the 300 million dollars worth of penalty tariffs levied on portable computers, color TV sets and power hand tools. The announcement was made at a Japan-U.S. meeting in Venice shortly before the economic summit of seven industrial democracies got underway Monday.

Touching on the remaining tariffs on Japanese products, Gotoda told reporters after a cabinet meeting: "Japan is now conducting an agonizing administrative guidance."

"It is necessary for Japan not to be accused of dumping charges," he said.

The total lifting of tariffs may depend on how the U.S. evaluates Japanese efforts in this direction, Gotoda said.

PARTIAL TARIFF LIFTING GETS QUALIFIED APPRECIATION

OWO81615 Tokyo KYODO in English 1545 GMT 8 Jun 87

[By Antonio Kamiya]

[Text] Venice, Italy, June 8 KYODO -- The United States announced Monday that it will remove punitive tariffs on 51 million dollars worth of Japanese electronic goods or 17 percent of the total amount involved.

President Ronald Reagan revealed the measure in a 40-minute meeting with Japan's Prime Minister Yasuhiro Nakasone, in which the two leaders also focused on Japan's role in protecting shipping in the Persian Gulf -- endangered by the Gulf war between Iran and Iraq -- Japanese officials said.

The two leaders were in Venice to attend the three-day seven-nation economic summit opening Monday evening.

Washington had slapped 100 percent tariffs on 300 million dollars worth of Japanese electronic goods in April in retaliation against what the Americans said was Japan's violation of a semiconductor trade agreement signed last September.

Nakasone told Reagan that Japan would not be able to play any military role in keeping the Persian Gulf open to international shipping, but was studying ways to help achieve that objective, the officials said.

International Trade and Industry Minister Hajime Tamura, in a statement released following the meeting, expressed qualified appreciation of the U.S. measures, saying that Japan hoped it represented a move "toward normalization" of the situation.

Reagan warned in a statement, however, that the United States will "not hesitate to reimpose" the amount of sanctions that are being lifted. The tariffs removed apply to what the U.S. has calculated as being proportional in value to a reduction in the amount of Japanese dynamic random-access memory (DRAM) semiconductors which the U.S. says Japanese makers have been dumping in third countries. But Reagan did not specify when the partial lifting of the sanctions will take effect.

Nakasone also outlined Japan's newly announced 6 trillion yen economic program to stimulate its domestic economy, telling the President that he plans to incorporate 5 trillion yen worth of spending in the stimulus program in a supplementary budget to be approved by the Diet in mid-July. He also said he will seek Diet approval of a 1 trillion yen tax cut in August.

The two measures were part of the "emergency" economic package the Japanese Government approved May 29 to boost the economy to help reduce its trade surplus with the rest of the world.

Positive Reaction Noted

OWO81646 Tokyo KYODO in English 1633 GMT 8 Jun 87

[Excerpts] Tokyo, June 9 KYODO -- Japanese business leaders welcomed a partial lifting of U.S. penalty tariffs on selected Japanese products Tuesday.

Takuma Yamamoto, president of Fujitsu Ltd., the nation's biggest computer firm, said he was pleased with the U.S. decision, which followed strenuous efforts by Japanese trade negotiators to settle the dispute.

A semiconductor firm executive pledged that the industry and the government will redouble efforts to boost the share of American microchips in the Japanese market so as to put pressure on the U.S. to lift the 100 percent tariffs altogether. [passage omitted]

Shoichi Saba, chairman of the Electronic Industries Association of Japan, had warned that the imposition of the penalty tariffs put the Japanese industry into a crisis.

Industry leaders and government officials said Japan needs to make additional efforts to improve access for American-made chips on the Japanese market.

Negative Reaction Expressed

OW090115 Tokyo KYODO in English 0107 GMT 9 Jun 87

[Text] Tokyo, June 9 KYODO -- Japanese industry leaders expressed disappointment Tuesday at an American decision to only partially lift its punitive 100 percent tariffs on selected Japanese products.

They had initially applauded news that the tariffs were being partly withdrawn, but later said they were dismayed by the fact that the United States will end only 51 million dollars worth of duties on 20-inch color television sets out of the 300 million dollars of penalty tariffs on portable computers, color TV sets and power hand tools.

"Japan's color TV exports to the U.S. are almost nil" as Japanese firms already produce such products in the American market, an electronics company executive said. The executive, who asked not to be named, said the partial easing of the heavy tariffs will not have much impact.

Government statistics put Japan's exports of 20-inch color TV sets at 51.53 million dollars last year. Japanese color TV producers such as Sony Corp. had predicted from the start of the imposition of the 100 percent tariffs April 17 that damage from the U.S. action was extremely limited.

The Electronic Industries Association of Japan, while welcoming the partial lifting, called for an early termination of all the tariffs.

Makita Electric Works Ltd., a leading maker of power hand tools, has stepped up production at its factory in Atlanta, Georgia, to minimize the effect of the heavy duties.

JAPAN, U.S. TO HOLD SEMICONDUCTOR TALKS IN JULY

OWO82327 Tokyo KYODO in English 2310 GMT 8 Jun 87

[Text] Venice, Italy, June 8 KYODO -- Japan and the United States agreed Monday to hold high-level talks on a semiconductor dispute later this month, officials said.

They said the ageement emerged from a meeting here between Hajime Tamura, minister of international trade and industry, and Treasury Secretary James Baker.

Tamura and Baker met after President Ronald Reagan told Prime Minister Yasuhiro Nakasone the U.S. will shortly lift part of the 100 percent tariffs it imposed in April on selected Japanese products.

A Japanese official quoted Baker as telling Tamura the U.S. expects data on microchip sales in May to show a marked improvement in Japanese compliance with a bilateral semiconductor pact signed last September.

Reagan said his administration will lift 51 million dollars worth of tariffs imposed on 20-inch color television sets, or roughly 17 percent of the total 300 million dollars worth of tariffs on computers, television sets and power hand tools.

Baker suggested in his meeting with Tamura that the partial lifting of the sanctions will be completed within a few days, according to the Japanese officials who attended the meeting.

Tamura called for an early lifting of the penalty tariffs on power hand tools, which he argued have nothing to do with the chip dispute.

The U.S. slapped 100 percent tariffs on the Japanese products in retaliation against Japan's alleged failure to stop third-market dumping of semiconductor chips and increase sales of U.S.-made chips in the Japanese market, as stipulated in the semiconductor accord.

Baker, while welcoming a new economic stimulus program unveiled by the Tokyo government May 29, requested Japan to lower short-term interest rates to help stabilize foreign exchange rates, the Japanese officials said.

NAKASONE HINTS AT TELECOMMUNICATIONS CONSORTIA

OW050117 Tokyo KYODO in English 0047 GMT 5 Jun 87

[Text] Tokyo, June 5 KYODO -- Japan will allow two consortia to advance into the international telecommunications market if their merger talks fail, Prime Minister Yasuhiro Nakasone has hinted.

Nakasone dropped the hint during a meeting with journalists from economic summit member countries Thursday, officials said.

"If a merger of the two clearly becomes an impossibility, we will accept their applications," the officials quoted Nakasone as saying.

The premier added that the Posts and Telecommunications Ministry's Advisory Council will screen the applications in a fair and transparent manner.

International Telecom Japan (ITJ) and International Digital Communications (IDC) are slated to launch international telecommunications operations in Japan, ending the market monopoly so far enjoyed by Kokusai Denshin Denwa Co. (KDD).

Posts and Telecommunications Ministry officials and business leaders have encouraged the two consortia to merge to avoid excessive competition.

Cable and Wireless of Britain and Pacific Telesis of the United States have 20 percent and 10 percent equity shares, respectively, in IDC, which plans to construct a transpacific undersea cable.

The issue is being closely followed by Japan's trading partners, who are getting impatient with a lack of access to the Japanese markets in international telecommunications and other services and products.

The summit meeting of leaders of Japan, the U.S., Canada, Britain, West Germany, France and Italy is in Venice June 8-10.

SIHANOUK'S SON MEETS KURANARI, URGES CGDK SUPPORT

OWO50641 Tokyo KYODO in English 0631 GMT 5 Jun 87

[Text] Tokyo, June 5 KYODO -- Norodom Ranaritt, son of Prince Norodom Sihanouk, president of the Coalition Government of Democratic Kampuchea, urged Japan Friday to continue its support of the coalition group, a Japanese Government official said.

The request was made when Ranaritt, now working in Bangkok as a personal representative for Sihanouk, met with Foreign Minister Tadashi Kuranari.

Ranaritt, who is on a private visit here, thanked Kuranari for Japan's support of Democratic Kampuchea, which was backed by most Western nations after it was formed in 1982 in opposition to the Vietnam-backed government of Heng Samrin.

Kuranari promised further support for the coalition government and said he will take up the Kampuchean issue at a foreign ministers' meeting in teh upcoming summit of seven industrial nations in Venice, Italy.

Kuranari said he will call for a political settlement of the matter at the summit meeting through the withdrawal of Vietnamese forces from Kampuchea and approval of the Kampuchean people for their right to self-determination.

Ranaritt said Sihanouk is in Pyongyang and taking a one-year leave of absence from the presidency of Democratic Kampuchea to initiate a global protest against the Khmer Rouge for their recent attacks on his resistance forces.

DPRK, USSR SIGN JOINT VENTURE AGREEMENT

SK060515 Pyongyang KCNA in English 0808 GMT 6 Jun 87

[Text] Moscow June 4 (KCNA) -- An agreement on the establishment of joint venture companies, international corporations and joint venture organs between the Governments of Korea and the Soviet Union and an agreement on the procedures of establishment of direct productive and scientific-technological links between the relevant enterprises and organs of the two countries were signed in Moscow on June 2.

The agreements were signed by Vice-Premier Kim Pok-sin upon authorization of the DPRK Government and by First Vice-Chairman of the Council of Ministers Vsevolod Murakhovskiy upon authorization of the USSR Government.

DPRK-USSR CONSULTATIVE COMMITTEE ACCORD SIGNED

SKO40513 Pyongyang KCNA in English 0458 GMT 4 Jun 87

[Text] Moscow June 2 (KCNA) — A protocol of the 21st meeting of the Inter-Governmental Economic and Scientific-Technical Consultative Committee of Korea and the Soviet Union was signed Tuesday in Moscow.

It was signed by Vice-Premier Kim Pok-sin on behalf of the DPRK Government and by first Vice-Chairman of the Council of Ministers Vsevolod Murakhovskiy on behalf of the USSR Government.

NICARAGUAN, OTHER PAPERS ON OLYMPIC COHOSTING

SKO81521 Pyongyang KCNA in English 1458 GMT 8 Jun 87

[Text] Pyongyang June 8 (KCNA) — The Nicaraguan paper EL NUEVO DIARIO May 20 quoted Moises Hassan, chairman of the Nicaraguan Olympic Committee, as saying at a press conference Nicaragua supported the stand of the Democratic People's Republic of Korea as to the organization and proceedings of the Olympic games including its opening and closing ceremonies.

The paper wrote that he exposed the schemes of the South Korean side to host all the Olympic games singlehandedly and sent a letter to the International Olympic Committee demanding an early convocation of the fourth Lausanne joint meeting.

The May 27 issue of the Bangladesh paper JANATA stressed that the concrete proposals of the DPRK for the co-hosting of the Olympics are most fair ones taking into consideration the realities of a divided country and the conditions for the International Olympic Committee and the South Korean side.

By claiming that they could yield no more than two sports events the South Korean side clearly showed once again that South Korea is not interested in the development of the Olympic movement and tries to exploit the Olympic games for its political purpose, the paper remarked.

Meanwhile, the Guyanese paper NEW NATION and the Ghanaian paper THE EVENING NEWS introduced the sincere efforts of the DPRK for the co-hosting of the Olympics and exposed the unjust claim of the South Korean side.

CPRF STATEMENT 'TEXT' ON CHON'S UNIFICATION REMARKS

SK090354 Pyongyang Domestic Service in Korean 2300 GMT 6 Jun 87

["Text" of 3 June statement issued in Pyongyang by the CPRF]

[Text] As already known, after holding an enlarged emergency meeting on 20 May, the CPRF has strongly demanded in the name of the entire nation that the antidialogue and antireunification position clarified by the South Korean puppet minister of the Broad of National Unification during his announcement of the government's view on the reunification issue be withdrawn and has sent the South Korean authorities a 7-point open questionnaire. Carefully watching the attitude the South Korean authorities adopt toward our open questionnaire, the entire nation and the progressive people of the world are now demanding that they give a clear answer to this 7-point question.

Now, however, the South Korean ruling bunch is marching on a road leading to an extremely dangerous position of confrontation and war while disregarding the demand of the people at home and abroad and the nation's vital interests. This nation-selling position of the South Korean ruling bunch has clearly been confirmed once again by a 3 June meeting of the Advisory Council on Peaceful Unification Policy [ACPUP].

On that day, in a so-called opening address, traitor Chon Tu-hwan babbled about reunification based on a liberal democratic system. Traitor Chon Tu-hwan who recently had his perpetators in charge of reunification affairs advocate reunification based on a liberal democratic system, is now saying this himself. This has reaffirmed their antinational position designed to solve the country's reunification question not peacefully, through dialogue or negotiation, but through confrontation or war. We cannot but regard this situation as being extremely grave and will never look on it with folded arms.

As is obvious to everyone, achieving reunification of the country based on principle designed to promote national unity while placing national ideology in the highest position and transcending differences in ideologies and systems is the only way for its peaceful realization under circumstances in which different ideologies and systems exist between the North and the South in our country.

Nevertheless, the Chon Tu-hwan ring's clamoring about achieving reunification based on a liberal democratic system while stressing the importance of the system reveals its intention to extend forcibly the South Korean colonial, military, fascist ruling system established against the people to the northern half of the republic and an open declaration of a war of northward invasion. The declaration of a war of northward invasion is incompatible with dialogue; nor does war sit well with peaceful reunification.

We cannot but be enraged with the fact that the South Korean ruling bunch, advocating in a brazen-faced manner a theory of war to conquer others by force, has had the nerve to suggest even the resumption of dialogue and the like. It is self-contradictory to babble about reunification through the use of arms on the one hand, and to babble about dialogue on the other. What on earth are they trying to talk about sitting face to face with us while raving that they will attack and annihilate the other party to the dialogue?

Originally, the Chon Tu-hwan ring is a treacherous antidialogue and antireunification group which has lost even its eligibility to talk about dialogue and reunification of the country before the nation.

By suspending all types of talks, which began in a favorable atmosphere among the fellow countrymen, by staging the joint "Team Spirit" military exercise with the U.S. aggressive forces, the South Korean ruling bunch has taken of its own accord the responsibility for the rupture of dialogue. Furthermore by rejecting our repeated proposals to hold peace talks designed to ease tension and create an atmosphere favorable to resuming dialogue, it has been reduced to a position in which it cannot try to seek any more justification, to say anything about dialogue.

Abruptly babbling about dialogue by those who have disregarded the other side's tolerance and who have refused to accept even its concession is only a mockery of the nation who earnestly desires dialogue and reunification. It is because the Chon Tu-hwan ring does not want dialogue and peaceful reunification that it did not hesitate to commit acts of blocking the debate on reunification by the people and opposition parties in South Korea by going so far as to use such a word as bipartisan in his opening speech delivered at the meeting.

National reunification is a project of national magnitude that is directly linked to the interests of the entire population. As a matter of course, the will of the people of all walks of life, the ones who are chiefly responsible for national reunification, should be sufficiently reflected in the settlement of the reunification question. Everybody should be allowed freely to articulate his own opinion about national reunification.

The traitor Chon Tu-hwan's reference to such words as bipartisan or something concerning debate on reunification stems from the schizophrenic way of thinking of the dictators who consider themselves, and no one else in South Korea, to be able to engage freely in debate on reunification and that they are determined to monopolize the right to discuss major national affairs.

If the Chon Tu-hwan ring is genuinely willing to conduct dialogue for detente and reunification and settle the reunification question in the interest of the nation, it has no reason to fear the discussion of reunification question by the vast range of the South Korean popular masses, nor should it have any reason to monopolize the forum of the reunification question. The Chon Tu-hwan ring should clearly realize that the entire population is disillusioned about and shuddering at the thought of the antinational acts by the ring, which refuses genuine dialogue under the signboard of bogus dialogue and which denies genuine peaceful reunification behind the advertisement of bogus reunification.

Of course, we know that the so-called opening address by the traitor Chon Tu-hwan is nothing but monologue reflecting the uneasiness of those who have no future. However, we cannot overlook the fact that those who are dying, not content with picking a fight with us in a shrill, screaming voice over the building of our Kumgangsan power plant, which has no element to be contested, has gone so far as to suggest talks between the persons in highest authority in the North and South and the discussion of issues concerning sharing something.

Those who have committed crimes before their fellow countrymen should know how to die quietly when they are nearing their death. It is apparent that those who are whiling away the last minute of their life will not be able to survive by smearing and slandering the peaceful construction which is under way for national prosperity and by babbling about talks nor will they find any sympathizers. We have no choice but to hold the United States accountable for the South Korean puppets' intolerable antinational attitude of denying dialogue and peace. With the goal of maintaining South Korea as its colony and military base as long as it can, the U.S. imperialists are clinging to a two-faced strategy of advocating dialogue between the North and South on the one hand and pursuing the confrontation, war, and perpetuation of Korea's division on the other.

All of the Chon Tu-hwan ring's antinational maneuvers, including its declaration of a war of northward invasion, of denying dialogue and reunification, and its monopoly of debate on reunification, are all based on a policy of aggression and war by the United States.

The CPRF strongly denounces the puppet Chon Tu-hwan clique's intolerable antidialogue, antipeace, and antireunification crimes being committed at the encouragement of the United States.

The reality demonstrates that as long as people like the Chon Tu-hwan ring stay alive in South Korea, it is impossible to conduct discussion for national reunification and realize peace and peaceful reunification in the interest of the nation.

We strongly insist that the traitors who pursue war while refusing dialogue and peaceful reunification be removed from among the nation at an early date.

We make it clear once again that we will continue to hold the South Korean ruling bunch accountable until such time as they give a clear answer to our 7-point letter of questions.

The U.S. imperialists should abandon the game of supporting and encouraging the South Korean puppets and leave South Korea without delay, taking along its occupation forces and nuclear weapons.

We are convinced that the governments, political parties, organizations, and people of all walks of life in various countries of the world will pay keen attention to the ominous and bellicose remarks by the South Korean ruling bunch and will continue to lend positive support and encouragement to our people's patient effort for dialogue, peace, and reunification.

KCNA ADDRESSES LONG-TERM THIRD 7-YEAR PLAN GOALS

SK081539 Pyongyang KCNA in English 1510 GMT 8 Jun 87

[Text] Pyongyang June 8 (KCNA) -- Korea is vigorously striving to attain the high long-term goals of the Third Seven-Year Plan for the development of the national economy.

The great leader President Kim Il-song said:

"During the new plan period we must attain the ten long-term objectives of socialist economic construction put forward by the sixth congress of the party and increase the total industrial output 1.9 times and agricultural output 1.4 times at least."

The ten long-term objectives of socialist economic construction are a far-reaching blueprint of economic construction for laying material and technical foundations commensurate with a completely triumphant socialist society.

100,000 million kwh of electricity, 120 million tons of coal, 10 million tons of steel, more than 1.7 million tons of non-ferrous metal, 22 million tons of cement, 15 million tons of food grain, 11 million tons of aquatic products, 1,500 million metres of fabrics and 7.2 million tons of chemical fertilizers will be produced annually during the Third Seven-Year Plan and 300,000 hectares of tideland reclaimed till 1993.

The total industrial output will increase 1.9 times and agricultural output 1.4 times at least during the new long-term plan. Thus the total social output value will rise 1.8 times and national income 1.7 times.

Korea will further supplement all branches of the national economy and equip them with modern technologies to increase their production capacity in this period.

Great efforts will be directed to the development of power industry.

Many large and minor hydro power stations will be built to additionally create a hydraulic generating capacity of more than 4 million kw.

The problem of power will be more satisfactorily solved by building thermal power plants and atomic and wind power stations.

The construction of coal, ore and cement production bases will be stepped up.

Promising coal and ore mines including the Anju, Sunchon, Pukchang and other district coal mines and the Komdok, Tanchon, Musan and Ryanggang Provincial district ore mines will be reconstructed extensively on an expansion basis and more coal and ore mines will be developed to markedly increase the production of coal and minerals.

A large cement production base relying on new raw materials will be built in the Sariwon and Kaechon areas and the production capacity of the existing cement factories will be boosted.

The construction of the Sunchon vinalon complex with a 100,000 ton capacity which is of weighty significance in bettering the people's living will be finished by 1988. And the construction of the Sariwon potash fertilizer complex will be pressed ahead and thus a new potash fertilizer industry dependent on domestic resources will be founded.

The comprehensive mechanization and chemicalization of agriculture will be rounded off and the successes of the irrigation and electrification already completed be expanded and developed.

In order to increase agricultural production the reclamation of tidal flats and a drive to bring more land under corps will be pressed ahead to decisively expand the arable land and more high-yielding strains of good-quality will be raised.

Many fishing boats will be built, ships be made to fit all purposes and sea culture be pushed ahead on an extensive scale so as to rapidly develop the fisheries, one of the important tasks for the improvement of the people's living.

750,000 technicians and specialists will be trained during the new long-term plan.

When the Third Seven-Year Plan is fulfilled, a decisive progress will be made in Korea in the struggle for the complete victory of socialism.

CHON, BURMA'S U SAN YU DISCUSS BILATERAL TIES

SK090236 Seoul YONHAP in English 0203 GMT 9 Jun 87

[Text] Seoul, June 9 (YONHAP) -- South Korean President Chon Tu-hwan and Burmese President U San Yu shared the view Tuesday that their countries should further develop friendly relations based on the principles of mutual respect, understanding and cooperation. The two leaders expressed satisfaction with the substantial increase in friendly relations between the two countries since Seoul and Rangoon established diplomatic ties in 1975, Yi Chong-yul, the Korean presidential spokesman said.

Chon and U San Yu exchanged views on various matters of common interest, including bilateral cooperation and the international situation during the one-hour summit meeting held at Chon's residence, Chongwadae. The Burmese president arrived here Monday for a five-day visit becoming the first Burmese head of state to visit Korea.

U San Yu expressed his deep consolation again to the Korean Government and bereaved families of those who were killed in a North Korea engineered bombing attack in Rangoon in October 1983. Seventeen South Koreans, including four cabinet ministers, were killed in the bombing which was an attempt on the life of President Chon. After the bomb attack, Burma severed diplomatic ties with North Korea and accused North Korea of its barbarous act in the United Nations. The spokesman said Chon again expressed appreciation for all the measures taken by Burma after the bombing incident.

After reviewing the international political situation in the Northeast and Southeast Asian regions, Chon and U San Yu shared the view that peace and stability in the regions where their two countries are located are closely related to those in other regions of the world. They also agreed that in order to maintain international peace, all countries should respect sovereignty, territory and non-intervention in the internal affairs of other countries.

Chon explained to U San Yu the necessity for an easing of tension on the Korean peninsula and the necessity of simultaneous entry of the two Koreas into the United Nations as an interim device before the peaceful reunification of the peninsula, the spokesman said. The Burmese president highly appreciated the South Korean Government's initiatives for the establishment of peace on the Korean peninsula.

The two reached a common perception that mutual cooperation among developing countries is very important and agreed that Seoul and Rangoon should promote mutual cooperation in economics, culture, technology and other fields. They also agreed to expand and deepen bilateral economic and trade relations. Specifically, the two leaders agreed to expand and balance bilateral trade, expand joint venture investments by Korean businesses and increase technology assistance to Burma. They expressed concern over the growing gaps between developing and developed countries and the heightening protectionist trend. U San Yu invited Chon to visit Burma at a convenient time and Chon accepted the proposal, according to the spokesman.

UK EMBASSY PROTESTS RECEPTION INVITATION SEIZURE

BK09344 Hong Kong AFP in English 0331 GMT 9 Jun 87

[Text] Seoul, June 9 (AFP) -- The British Embassy here has protested to the South Korean Government about the confiscation of an invitation addressed to opposition leader Kim Tae-Chung for the Queen's birthday reception, reliable sources said Tuesday.

The sources added that following the protest the invitation card confiscated by police as it was delivered Monday was returned and duly handed over to Mr. Kim, who has been under house arrest for the last two months.

On Monday, police stopped Mrs. Kim's chauffeur, one of the few people allowed to enter Mr. Kim's house. He was carrying the invitation which had been given to him by a British Embassy official.

The invitation was for a reception at the British Embassy to celebrate the official birthday of Queen Elizabeth II on Tuesday.

An aide to the 62-year-old opposition leader later said that when Mr. Kim received the invitation at home, he asked a police officer who was present whether this meant he would be allowed to attend the reception.

The police officer replied that the matter would be duly reported to higher authorities.

OPPOSITION RALLY, RULING PARTY CONVENTION NEAR

Police Preparations

SK090005 Seoul THE KOREA TIMES in English 9 Jun 87 p 2

[Text] Police have taken preemptive measures against possible break down of public order in connection with the June 10 public rally engineered by the opposition forces, confining so-called dissidents at home and strengthening security of public buildings.

Police have already been put on full alert across the nation against the rally, which the government authorities have branded illegal, being pushed by dissident elements with records of crimes including high treason.

The rally to start at 6 p.m. has been prepared by the National Coalition for Democratic Constitution to denounce the undemocratic nature of the present regime and the torture death of Pak Chong-chol.

In Seoul, the venue for the rally is the Korean Anglican Church in Chong-dong.

According to the National Police Headquarters (NPH), it also has instructed the police across the nation to remain on alert to effectively prepare for any contingencies in connection with the rally.

The NPH made it clear that any disturbances by opposition groups will be deterred in their initial stages, saying that the rally is aimed at touching off national chaos.

The extraordinary police move came as an alliance of opposition groups calling itself as the National Coalition for Democratic Constitution pledged itself to conduct massive rally on Wednesday to press for constitutional reforms and to protest the police torture death of a student activist and the subsequent cover-up.

The police were particularly tense as the rally was timed with the holding of a national convention by the ruling DJP at Chamsil Gym, southern Seoul, to nominate a presidential candidate to prepare for the scheduled power transfer in February next year.

All provincial police headquarters have also been instructed to map out their own strategy befitting their situation to deter the "June 10 rally" in the initial stages, the NPH said.

Provincial police were ordered to increase security checks around their armories and move all the weapons stored in police boxes to armories at police stations.

The police headquarters also instructed stations to confine major opposition figures to their homes to prevent them from attending the planned rally.

It said the police will step up search and check procedures in major areas of the capital city and other provincial cities today and Wednesday.

In the meantime, the Seoul Metropolitan Police Bureau instructed all police station chiefs in Seoul to increase security in and around major government buildings and installations.

The move was learned to have been motivated by a tip-off that a group of radical student activities are planning to attack public installations including district chapter offices of the ruling DJP and some police boxes.

Sweeping searches will be conducted in major streets leading to Chamsil Gymnasium where the DJP convention is to be held. There is a possibility of petroleum bomb attacks against vehicles heading for the convention, police said.

The metropolitian police conducted a massive search and check operation in major streets in Seoul for two hours from 7:00 p.m. on Sunday and led away 773 people for investigation.

The police also searched printing shops in Seoul to prevent them from producing leaflets and other printed material for the rally.

Of those detained on Sunday, 35 were booked without physical detention, 86 were referred to summary courts and other 311 were freed after admonition, according to police.

The police will continue their sweeping search and check procedures in major streets in Seoul today to ferret out subversive items including fire bombs and leaflets.

RDP, NCDC Preparations

SKO82357 Seoul THE KOREA TIMES in English 9 Jun 87 p 2

[From the column "Press Pocket]

[Text] the Reunification Democratic Party and the National Coalition for Democratic Constitution [NCDC] will test the potential of "people power" in anti-torture rallies across the country tomorrow.

The organizers expect that more than 100,000 people will gather around the Anglican Church, the venue of the protests, in the heart of Seoul to protest against the torture-killing of a student and the cover-up of the torturers.

The number of participants will largely depend on how police deal with them, a coalition member said.

The newly created national coalition printed one million leaflets while the hardline opposition party, a component of the NCDC, prepared 500,000 sheets, according to him. They will be distributed through "personal channels" to ask people to join the rallies.

However, more attention of the organizers will go to the observance of their "guidelines" in which people are asked to sing the national anthem at 6 p.m. and turn off television at 9 p.m. not to watch the news coverage of the ruling party's national convention.

The guidelines also asked temples and chapels to bell and drivers whistle warnings at 6 p.m. when the flags are lowered.

Convention Preparations

SK082341 Seoul THE KOREA HERALD in English 9 Jun 87 p 2

[Text] With the national convention to elect the party's presidential candidate only one day away, the ruling Democratic Justice Party is concentrating on making it a great success.

All preparations were finished last week and a rehearsal is scheduled today to put the finishing touches on them.

Despite opposition accusations that the June 10 convention is "the start of DJP's scheme to perpetuate its dictatorship," the ruling party says that the convention will mark a "historic precedent" of a peaceful power transfer in the nation's 40-year constitutional processes.

In the large-scale meeting to be held at Seoul's Chamsil gymnasium, party chairman No Tae-u will be nominated as the DJP's candidate for the 13th term presidential elections slated at the end of this year.

The government and the ruling DJP have emphasized that it is the first time in the nation that a presidential candidate will be elected by the ruling party while the incumbent president is in office.

"Peaceful power transfer, a great step forward for democratic development," is the words of the poster that announces tomorrow's national convention.

A total of 12,436 people will participate in the meeting. Among them are 8,646 party members and 3,500 invited guests that include diplomatic envoys.

The ruling DJP also sent invitations to 2,800 people for a reception to be held at a Seoul hotel in the evening of the convention.

The party has hired 247 express buses for the transportation of provincial party members and booked rooms of about 60 inns and hotels near Chamsil for their accommodation in the convention eve.

In addition, the party's Central Political Training Institute in Karak-dong and Yongdong Youth Hostel will be used for the purpose.

On June 10, the Chamsil gymnasium will be full of large placards bearing such words as "A promise of single term kept, democratic politics blossomed," and "Economic progress with stable material prices, political advancement with single term presidency," etc.

Besides these, 500 color pictures of President Chon Tu-hwan, who concurrently heads the DJP, and chairman No will decorate the convention hall along with 300 slogans and pickets.

Meantime, gorgeous entertainment shows by popular singers and gag stars are to be served between hours ballotting and counting of the candidate elections are going on.

Also, before the convention begins, the DJP plans to consolidate unity among participating party members with a preceremony contnet.

Members from different local chapters are to compete with songs and dances peculiar to their localities.

For these events scheduled in between the five-hour convention, the DJP has studied those of Japan's Liberal Democratic Party, Taiwan's Kuomintang, and the U.S. Republican Party through videotaped films.

The party has also sought advices from experts on large-scale assemblies.

Party spokesman Kim Chong-nam will preside over the colorful, "epoch-making" event which is held for the fourth time since the DJP's inauguration in 1981.

Among other things, the highlight of Wednesday's meeting will come when President Chon and chairman No shake hands after the latter's nomination as the party candidate.

The party has taken particular considerations as to where the emphasis should be placed between the President's congratulatory speech and No's acceptance speech.

Party officials said that the presidential speech will constitute the climax of the convention, with the focus being given on the realization of President Chon's repeated promise to step down after his single term.

Meanwhile, No visited the President and discussed the contents of his acceptance speech Saturday. In the speech, the DJP chairman is expected to outline his plan regarding the constitutional issue and the nation's democratic development, which will be reiterated more specifically in his news conference Friday.

KIM YONG-SAM MEETS PRESS ON CONSTITUTION REVISION

Sk082338 Seoul THE KOREA TIMES in English 9 Jun 87 p 2

["Excerpts" from questions and answers at a press conference held by RDP President Kim Yong-sam on 8 June]

[Text] Question: You have set the deadline for the constitutional amendment through inter-party compromise for late September. Do you mean that the rewriting of the Constitution may be postponed until after the transfer of government next February if the rival parties reach a compromise before late September, or that the constitutional amendment should be finished before the end of the term of the incumbent President?

Answer: I meant that the rewriting of the Constitution should be completed during the term of President Chon Tu-hwan. The time until end of September is enough for the constitutional amendment by inter-party agreement. As you know, people think that there is nothing to expect from the current regime and that it should not exist any longer. It is very natural that a player is ordered out of the ground in a soccer game when he commits fouls too many times.

But the RDP wants to get along with the current regime in order to realize a politics without retaliation.

Therefore, the constitutional amendment and democracy should be attained during the term of President Chon. The Olympic Games can be a festival of the whole people of the world when it is hosted by a legitimate government to be born under the new constitution.

- Q: What is the intention of your proposal for the "joint declaration of democracy" to the ruling party? Isn't it a prelude to a proposal to form a supra-partisan cabinet after the ruling party holds its national convention to pick its presidential candidate tomorrow?
- A: I have no such intention. All is revealed in the text of my speech. The term of President Chon should not be prolonged under any circumstances beyond Feb. 24, 1988.

The situation will just become more confused if the formation of a supra-partisan cabinet is proposed.

Everything (concerning the constitutional amendment) should be completed before the end of the September.

The current regime has no intention to realize democracy and the people know that, too. Therefore, I made the proposal (for a joint-declaration of democracy).

- Q: If an agreement on constitutional amendment is reached through these "substantial talks," will the stalled House committee on constitutional amendment be revived?
- A: If only an amendment is reached, we will resume the special House committee to work on constitutional amendment.

The question of the constitutional amendment depends upon a decision of President Chon. Then just one week is enough (for a rewriting of the new constitution in the House panel).

We are seeing that the whole nation is in confusion as a result of the remarks by President Chon in the April 13 statement..

- Q: Does your party have any intention to change the party line and proclaim or accept a parliamentary cabinet system as the form of the next government?
- A: The RDP's official party line (for a presidential government system based on direct election of president) is unchangeable. I have never thought of the parliamentary cabinet system.
- Q: Would you explain again the intention of the proposal for the joint adoption of a declaration on democracy?

- A: A considerable number of people demand the current regime to resign and claim that it should be denounced. The current regime has lost morality as it has committed many fouls.
- It is the expression of our party's sincere will to co-exist with the current regime without political retaliation and is advice to the incumbent regime.
- Q; DJP chairman No Tae-u be included in your proposed substantial talks?
- A: I meant a substantial and responsible person. I referred to President Chon. But chairman No will do if he takes full power.
- Q: If the ruling party holds its national convention as scheduled, you will not seek a substantial dialogue any longer nor propose a program to tide over the current situation?
- A. The proposal of dialogue from the ruling camp is just a political trick or lie, lacking sincerity. They have never proposed dialogue (with us) in a faithful and sincere manner.
- Q: If the ruling party postpones its national convention as you demanded, mass rallies (to denounce the cover-up of police torturers of a Seoul National University student) may be postponed too?
- A: We will decide that after viewing the situation.
- Q: Don't you have any intention to propose a program for coping with the current situation in advance as tension is mounting as the mass rallies and the DJP's national convention draw near?
- A: I can not reveal any plan here in advance. For now, the DJP should make a decision first.
- Q: If the DJP holds its national convention for presidential nomination as planned, will your party launch an all-out campaign to denounce the current regime?
- A: Our party will decide on the matter after assessing the over-all situation subsequent to the mass rallies and the DJP's convention.

DJP DENOUNCES KIM YONG-SAM'S DIALOGUE PROPOSAL

SK082359 Seoul THE KOREA TIMES in English 9 Jun 87 p 2

[From the "Press Pocket" column]

[Text] The ruling DJP yesterday made slight of Kim Yong-sam's proposal of "substantial dialogue" with the top leader of the ruling camp.

DJP officers met for 80 minutes in the morning to discuss how to respond to the initiative for dialogue of the RDP president in his press conference early in the morning.

After the meeting, DJP spokesman Kim Chong-nam commented, "We think that the RDP president's remarks were designed to disrupt or obstruct our party's national convention.

"We cannot but ask to what extent the RDP, which has maintained an uncompromising, hardline course, sticking to the direct presidential election system, has the will to democratic development," said the DJP spokesman.

Then he denounced RDP president's proposal for the joint adoption of a declaration on democracy as "just a trick designed to deceive the people."

Asked if the DJP will in no way comply with the opposition leader's proposal for dialogue, the DJP spokesman refused to give a clear answer, just saying, "Our party can not know what was the real intention behind Mr. Kim Yong-sam's press conference."

It is true that our party had expected some forward-looking remarks from RDP president in the press conference, but his remarks as a whole were disappointing to us, said the DJP spokesman.

As for the proposal for a joint delcaration on democracy, the spokesman said, "It is a proposal, a step more backward than the 'Yi Min-u formula'," said the spokesman.

We have yet to discern the real intention behind the suggestion of a proposal which is just a step backward from the Yi Min-u formula for which Kim broke with the then major opposition party, said the spokesman.

UNIVERSITY STUDENTS STAGE ANTIGOVERNMENT RALLY

SK090010 Seoul THE KOREA HERALD in English 9 Jun 87 p 3

[Text] About 2,000 Korea University students yesterday staged an antigovernment rally on the school campus and decided to boycott classes until their detained student council leader is released.

In the rally which started around 3 p.m. the protesting students urged other students and faculty members to participate in a rally to be held by the National Coalition for Democratic Constitution in the Anglican Church near the Seoul City Hall tomorrow.

They also asked professors to make maximum efforts for the prompt release of Yi In-yong, 22, the university student council president who was arrested June 2 for his suspected leading role in recent campus unrest.

GOVERNMENT TROOPS CAPTURE KIA HEADQUARTERS

BK060812 Rangoon Domestic Service in Burmese 1330 GMT 6 Jun 87

[Text] Major General Than Shwe, Army vice chief of staff, accompanied by U Myint Augn, member of the Burma Socialist Program Party [BSPP] Central Committee Headquarter's National Defense and Security Committee; air vice chief of staff; chief of the No 1 special operations unit of the Defense Ministry; quartermaster general; and senior military officials, toured and inspected the Northern Military Command from 2 to 5 June.

The Army vice chief of staff and his entourage left in a special military plane from Mingaladon Air Force Base at 0730 on 2 June and arrived at Myitkyina Air Force Base at 1030. The Army vice chief of staff and his entourage were welcomed upon arrival by the chairman of the Kachin State regional party committee, commander of the Northern Military Command Headquarters, and military officials from the Northern Military Command.

At 1330 Army Vice Chief of Staff Major General Than Shwe was briefed in the conference hall of the Northern Military Command Headquarters on the military situation concerning the offensive against and capture of the general headquarters and camps of the KIA [Kachin Independence Army] insurgents. The Army vice chief of staff then discussed and gave instructions on military, administrative, and organizational matters.

The Army vice chief of staff stayed overnight at Malikha Guesthouse.

At 0830 yesterday, the Army vice chief of staff and his entourage left Myitkyina aboard Army helicopters and arrived in Nahpaw at 0930. They were welcomed upon arrival in Nahpaw by Colonel Myo Myint, tactical commander of the operations unit; regimental commanders; company commanders; and troops. At Nahpaw, the Army vice chief of staff and his entourage inspected assorted heavy and light weapons, communications equipment, medicines, jade, and opium seized from the KIA insurgents.

The Army vice chief of staff and his entourage were briefed on various stages of the offensives against the KIA general headquarters by the tactical commander of the No. 1 tactical operations command. The Army vice chief of staff then gave instructions on military, administrative, and organizational matters. Later, the Army vice chief of staff had a friendly meeting with representatives from the party organizations and People's Council of Bhamo, Momauk, and Man Si; frontline volunteers from Bhamo, Momauk, Mohnyin, and Katha; and Red Cross members from Momauk. He also gave them words of encouragement.

The Army vice chief of staff and his entourage left the Myitkyina Air Force Base in a special military plane and arrived in Rangoon at 1600.

The KIA insurgents deployed Nahpaw and Pa Jau villages in Momauk township as their general headquarters. (Gyabu) and Namsangyang camps served as regimental headquarters of the KIA insurgents while Kadu camp served as company headquarters.

The government troops under the Northern Command Headquarters No 1 Tactical Operations Command launched an offensive against the KIA general headquarters and camps on 22 May 1987. The Kadu camp was occupied on 24 May, Namsangyang camp on 25 May, and (Gyabu) camp and Nahpaw headquarters on 26 May. The KIA general headquarters at Pa Jau was successfully captured on 29 May. The government forces together with the people fought 6 major battles and 35 small-scale battles against the KIA insurgent-saboteurs. During these battles 5 members of the government forces laid down their lives for the country and 35 bodies of the insurgents were recovered. Two insurgents surrendered to the government forces. During the battles 95 assorted weapons, a large amount of ammunition, communications equipment, medicines, jade, opium, and other items were captured from the insurgents.

The people's army, together with the working people, is continuing the offensive against the insurgents who are retreating with heavy casualties.

OPERATIONS AGAINST BCP, KAREN INSURGENTS REPORTED

BK061415 Rangoon Domestic Service in Burmese 1330 GMT 6 Jun 87

[Text] Acting upon information received, an Army military column conducted operations against the Burmese Communist Party [BCP] camp commanders belonging to the BCP Tenasserim Military Region's Mergui District unit reported to be in hiding in (Taiwa Chaungmya) region in Tenasserim township in the Southeast Military Command. A total of four battles were fought will small insurgent units between 16 and 30 May. Two government soldiers were wounded while five BCP insurgents were killed, one was captured, and five surrendered. Sixteen assorted weapons and ammunition were captured from the insurgents. The Mergui District group only has 45 members, including dependents, and members are reported to be demoralized.

Similarly, an Army military column conducted an operation against Karen National Union [KNU] insurgents reported to be in hiding in Nateindaung camp in Yebyu township in the Southeast Military Command. Hand to hand combat with about 30 insurgents took place and the enemy camp was captured. A government soldier laid down his life for the country during the battle and two were wounded. From the KNU insurgents side, 11 were killed and one 57-mm rifle, 26 assorted weapons, 3 communication sets, 2 walkie-talkies, and ammunition were seized from the insurgents.

LABOR MINISTER LEAVES FOR ILO CONFERENCE

BK030320 Rangoon Domestic Service in Burmese 0130 GMT 3 Jun 87

[Text] A Burmese delegation led by U Ohn Kyaw, minister of labor and social welfare, has left for Switzerland to attend the 73d annual conference of the International Labor Organization to be held in Geneva from 3 to 24 June.

Minister U Ohn Kyaw and members of his delegation were seen off at Rangoon airport by the U Khin Maung Gyi, minister for trade; U Aung Kyaw Myint, minister for information and culture; Major General Myint Lwin, minister for construction; U Pau Khan Thang, deputy minister for labor and social welfare; U Kyi Thein, vice chairman of the Workers Organization Central Body; U Nyunt Thein, secretary; and U Ba Htwe, joint secretary; and officials concerned. Minister U Ohn Kyaw was accompanied by U Khin Maung, additional director of the Labor Department and U Nyunt Maung, the minister's personal secretary. Delegation members U Nyunt Lwin, joint secretary of the Workers Organization Central Body; U Nyunt Win, director of the Labor Department; U Min Aung, director of the Factories and General Labor Laws Inspection Department; Daw Sein Sein, deputy general manager of the Social Security Board; and U Bo Gyi, director of Engineering Work of the Construction Corporation left for Geneva on 30 May.

n left for Geneva on 30 May.

MALAYSIA

FOREIGN MINISTER RETURNS FROM ASEAN TOUR

Results of Trip Summarized

BKO51335 Kuala Lumpur BERNAMA in English 1311 GMT 5 Jun 87

[Text] Kuala Lumpur, June 5 (OANA-BERNAMA) -- The cabinet will discuss whether the government is satisfied with the move by the FAR EASTERN ECONOMIC REVIEW to retract its article on the so-called sale of Limbang in Sarawak to Brunei, Foreign Minister Abu Hassan Omar said Friday.

The Hong Kong-based weekly magazine in a statement here recently retracted the article — that the Malaysian Government was selling Limbang to Brunei for a start price of \$6 billion — and apologised to Prime Minister Dr Mahathir Mohamed following criticism from various quarters in the country.

If the government was not satisfied with the retraction of the article, it would think of steps to take against the magazine, Abu Hassan told reporters on his return from a tour of the other ASEAN countries, including Brunei where he discussed the article with his counterpart, Perdana Wazir Mohamed Bolkiah.

He was confident the report, which he described as "mischievous," would not hamper the good relations between the two countries.

Asked what was Brunei's reaction over the report, he said he had briefed them on the report and "they are with us."

On the nomination of Mahathir as chairman of the International Conference on Drugs in Vienna, Abu Hassan said the move by ASEAN to collectively nominate him was to show the world the group's seriousness in combating the drugs problem. Furthermore, the experience by Malaysia, which had the death penalty for convicted drugs' traffickers, should also be taken into consideration, he said.

On his discussions with Singapore Foreign Minister S. Dhanabalan, he said he was briefed on the recent detention of 16 people, including two Malaysians, under the Internal Security Act (ISA) for alleged involvement in a communist conspiracy to overthrow the Singapore Government.

He said the Malaysian High Commission in Singapore had been directed to use diplomatic channels to get in touch with the two Malaysians.

Datuk Abu Hassan also touched on the project to supply gas to Singapore and the proposal to have a ferry service between Changi Point in the republic and Tanjung Pusat in the south Malaysian state of Johor and said that discussions on these two will continue.

On his visit to Manila, he said he was briefed on the preparations for the third ASEAN summit to be held in the Philippine captial in December and on the Moro National Liberation Front (MNLF) issue.

On his meeting with Thai Foreign Minister Sitthi Sawetsila, he said they agreed to the setting up of a joint commission between the two countries to facilitate discussions on cooperation in agriculture and economic development.

Commentary on ASEAN Tour

BKO41529 Kuala Lumpur International Service in English 0800 GMT 4 Jun 87

[Station commentary]

[Text] The Malaysian foreign minister, Datuk Abu Hassan Omar, is now on a tour that will take him to all the five countries that are Malaysia's partners in ASEAN, the Association of Southeast Asian Nations. Datuk Abu Hassan was appointed foreign minister in the new cabinet. It is, therefore, quite appropriate for the foreign minister to embark on a journey to meet his ASEAN counterparts. ASEAN is, for Malaysia, a vital power to the area in its external relations. The program, which may seem a kind of whirlwind tour, takes the minister to Indonesia, Thailand, the Philippines, Brunei, and Singapore. It can be confidently predicted that the foreign minister's tour will strengthen the cordial relation that subsists between Malaysia and its ASEAN partners.

One topic that will be a prominent feature in Datuk Abu Hassan Omar's discussions with the foreign ministers is the third ASEAN summit that will take place in December. The present world economic recession and its impact on the ASEAN community will also be reviewed. There is much interest in the promotion of a bigger volume of intra-ASEAN trade items so as to reduce the dependence on imports from those nations that are practicing protectionism. In the past, the volume of items traded among the ASEAN nations was quite meager. Over the years, there has been a steady development of small-scale industries. Malaysia has been successful in reducing its dependence on the production and export of a small number of primary commodities.

However, diversification is not sufficient that markets have to be found for absorption of goods produced. The European Community, Japan, and the USA are economic superpowers. It is the collective strength of ASEAN that will provide the bargaining power for the mutual benefit of all the ASEAN members. There is also much talk about planning for the long-term realization of an ASEAN common market. This, too, may be a topic that will be raised in the Malaysian foreign minister's talks with his ASEAN counterparts. The solidarity of ASEAN is built on a series of conferences, seminars, dialogues, and visits — both formal and informal — involving not only government leaders but also executives from the commercial and industrial sectors.

ASEAN was conceived as an association of peoples. The momentum it has gathered in its 20 years of existence is quite encouraging. More could be achieved if the Kampuchean issue could be settled speedily. The occupation of Kampuchea by the Vietnamese and the frequent skirmishes on the Thai-Kampuchean border, are major causes of instability in this region.

ASEAN has always wanted serious negotiations with Vietnam as the best hope for a political settlement of the Kampuchean issue. If that were achieved, the Southeast Asian region would become a more stable and crisis-free part of the world. The new Malaysian foreign minister will act in furtherance of the objective which has always been mentioned as an important one by the Malaysian prime minister, Dr Mahathir Mohamed.

COMMENTARY VIEWS SIHANOUK'S 'LEAVE,' SRV'S STAND

BK080945 Kuala Lumpur International Service in English 0800 GMT 8 Jun 87

[Station commentary]

[Text] The statement by the Indonesian foreign minister, Dr Mokhtar Kusumaatmaja, on the decision of Prince Norodom Sihanouk to take leave for 1 year is helpful in many ways. The Vietnamese propaganda machine has been interpreting this decision as a sign of fundamental weakness in the government of Prince Sihanouk. All governments and cabinets undergo stresses and strains at some time or other. In the case of the Coalition Government of Democratic Kampuchea, Prince Sihanouk heads a tripartite establishment. The coalition includes the Government of Kampuchea, which under Pol Pot's leadership controlled the Government of Kampuchea. Numerous atrocities and violations of human rights are known to have been committed during that time. Prince Sihanouk's achievements consist in having been able to bring the factions together irrespective of their ideological conviction to form a national front for Kampuchea's political identity. The system has worked reasonably well, and this is exactly what is embarrassing to the Vietnamese. In spite of nearly 9 years of military occupation and ruthless domination of all aspects of Kampuchean life, Vietnam has not been able to stamp out the freedom struggle of the Kampuchean people. Amnesty International, in a recent report, has highlighted details of serious human rights violations by Vietnam and its client government in Phnom Penh.

ASEAN understands the considerations behind Prince Sihanouk's decision to take leave for 1 year. It will give him time for the planning of new strategies and to view the internal strength and weaknesses of his own coalition government in perspective. In the words of the Indonesian foreign minister, the decision was made in the interest of the Kampuchean people. Some undesirable elements within the Khmer Rouge would be phased out of important positions in the coalition government of Prince Sihanouk.

The Malaysian prime minister's approval for the holding of proximity talks was enthusiastically received some months ago by Prince Sihanouk and many world leaders too. However, Vietnam stubbornly continues to occupy Kampuchea and to exploit it fully for its own purposes. The Kampuchean people either live as refugees or stay on to battle as freedom fighters against the occupying Vietnamese and the Kampuchean collaborators.

Malaysia, with its ASEAN partners, has patiently been advocating to Hanoi's leaders the importance of ensuring stability in Southeast Asia by leaving Kampuchea to the Kampucheans. For that purpose, the ASEAN bloc has indicated its willingness to respond to any signal from Hanoi to discuss the Kampuchean issue. ASEAN is hopeful that sooner or later the new younger group of men, who now form the decisionmaking club in Vietnam, will see the value of leaving Kampuchea alone. If economic reconstruction rather than empire building becomes Vietnam's priority, it would be a very healthy policy. ASEAN will continue to work towards that goal.

MAHATHIR COMMENTS ON ECONOMY, FINANCIAL RESERVES

BK061418 Kuala Lumpur International Service in English 0800 GMT 6 Jun 87

[Text] Datuk Sri Dr Mahathir today criticized groups who panic easily when faced with problems like the economic recession. He hit out at those who were unworthy citizens and became upset when their loyalty was questioned. The prime minister said this at the opening of the 16th annual delegates conference of Parti Gerakan, a component of the ruling National Front government, in Kuala Lumpur this morning. The prime minister said people should not be easily influenced by rumors spread by anti-national elements who want to cloud the country's economic atmosphere. On the other hand, people should have faith in the Malaysian economy and study the exact factors of the economy and help to eradicate the rumors.

Datuk Sri Dr Mahathir said people should be thankful for and be proud of the development regarding the country's economy lately. These included the fact that the prices of commodities and investments built from within and outside the country were rising again. Confidence in the country's economic climate was growing and the nation's balance of payments last year showed a surplus of 4.131 billion ringgit. He said there was an increase of 3,833 billion ringgit in the international reserve of Bank Negara last year from the figures of 1985. This had brought Bank Negara's international reserve to about 60.36 billion ringgit. He said this was the highest ever achieved by the country since attaining independence 30 years ago. The reserves are equivalent to the nation's credibility to meet imports for 7.1 months, he said, adding that the reserve of 1985 could only meet imports for 5 months. The prime minister said that at one time, the reserve had dropped to the level of only being able to meet imports for 3.5 months. He said that the surplus and balance of payments of 4.131 billion ringgit last year, an increase of 923 million ringgit over that of the previous year, was also a record.

SINGAPORE

DEPUTY PREMIER RETURNS FROM CHINA VISIT

BKO41155 Singapore Domstic Service in English 1100 GMT 4 Jun 87

[Text] The first deputy prime minister, Mr Goh Chok Tong, has said that Singaporeans investing in China should go into sectors that could help the Chinese earn foreign exchange. He said there were fresh opportunities for joint ventures in tourist projects, including hotel management, the planning and management of airports and ports, and the developing of computerization and telecommunications for other areas for investment.

Mr Goh, who has just returned from a 10-day visit to China, however, stressed that investors should not expect quick results but take a long-term, [words indistinct]. The first deputy prime minister disclosed that a subsidiary of Telecoms is likely to be set up soon in China to provide consultancy as well as training for American and Japanese equipment manufacturers. Mr Goh also said his talks with Chinese provincial leaders had showed that the provinces were keen to establish direct economic links with Singapore.

Mr Goh said his overall impression was that China would continue to have political stability and that its leaders and people were committed to economic reforms.

ARCHBISHOP, OFFICIALS DISCUSS MARXISTS' ARRESTS

BK031128 Singapore THE STRAITS TIMES in English 3 Jun 87 p 1

[Text] Roman Catholic Archbishop Gregory Yong now accepts that full-time church worker Vincent Cheng was a key figure in a Marxist plot to subvert the state.

After meeting Home Affairs Ministry officials, seeing their documents and meeting the Prime Minister [PM], the 62-year-old churchman yesterday said of Cheng: "That the man himself admitted that he was using the church ... I think this is one of the biggest reasons why I have to accept the Covernment's statement."

Asked what he had to do now, the Archbishop said: "All I want is to make sure that there is no conflict between the Church and the State on this matter.

"We will always clarify matters before we take any stand or make any practical moves."

He was speaking at an Istana press conference after leading a 10-member church delegation to a meeting called by Mr Lee Kuan Yew.

"It was very good of the Prime Minister to call us up for a dialogue," Archbishop Yong said after the two-hour meeting.

"This is the conclusion we have arrived at at the end of the meeting: We are satisfied that the Government of Singapore has nothing against the Catholic Church when it detained 10 of our church workers amongst the 16 who were arrested for possible involvement in a clandestine communist network."

Four of the 16 people arrested by the Internal Security Department on May 21 were full-time Church workers and six others were volunteers in various Church groups.

The Home Affairs Ministry revealed last week that they were involved in a Marxist plot, and that Cheng had admitted using various Church groups and publications to further the Marxist cause.

Archbishop Yong, leader of Singapore's 105,000 Catholics, had three meetings with officials from the ministry since the arrest of the 16.

Files and depositions shown to him convinced him that the Government had a case against Cheng.

He told yesterday's press conference: "After going through the depositions made by the person concerned himself, I have no way of disproving this statement."

Two of the nine people who accompanied him to meet the Prime Minister last night expressed relief at the outcome of the session.

Community Chest president Ee Peng Liang, a Catholic, was instrumental in setting up yesterday's dialogue after the Prime Minister spoke to him on Sunday.

"Now the matter is quite clear," he said. "We read the files, the Prime Minister briefed us and we are satisfied."

Referring to the various documents on Vincent Cheng that were shown to the group, he said: "The proof is there."

Catholic lay leader Michael Thio said: "I am very glad to note there was no conflict between the Church and the State.

"The PM assured us that they (the 16) were detained because of their personal involvement as individuals. The Church was not involved. This is a vital issue which must be made known to Catholics and non-Catholics."

The group, which also included five priests, a nun and another lay person, was presented various documents on the case when they arrived at the Istana [Presidential Palace].

Mr Lee said afterwards that the group agreed that the Government had reason for its action and that the facts could not be disputed.

He also promised tose interested that they could read the documents relating to the "lesser participants or actions" in the group of 16. But he said their involvement was less than that of Vincent Cheng.

Archbishop Yong said he had asked the Government for an assurance that those detained would be treated humanely and justly.

He also sought proof that they were "really involved in possible" clandestine activities.

But Mr Lee made it clear that the 16 would not be taken to court. This, he stressed, had not been government practice for cases under the Internal Security Act.

He said the Government would act so long as it was convinced of the truth of the matter -- and that this was not obtained by torture, coercion or distortion of the truth.

This was one of a number of key points Mr Lee made at the press conference, which was also attended by Professor S. Jayakumar, the Home Affairs and Second Law Minister, and Mr Tjong Yik Min, Director of the Internal Security Department.

Mr Lee said the Government guaranteed freedom of worship, but it would not allow anyone to use religion as a cover for subversive purposes.

He also praised Singapore's Catholics for being among the most "stout-hearted defenders of the democratic society and against Marxism and totalitarianism as represented by the communists".

Mr Lee also met Vatican envoy Giovanni Aniello, who flew in from Bangkok, yesterday, but there were no details of the meeting. The envoy left for Bangkok after the meeting.

MOKHTAR COMMENTS ON PREPARATIONS FOR ASEAN SUMMIT

BKO81405 Jakarta THE JAKARTA POST in English 4 Jun 87 p 3

[Text] Jakarta (JP) -- Foreign Affairs Minister Mokhtar Kusumaatmaja has described preparations for the coming ASEAN summit, scheduled to be held in Manila next December, as systematic and comprehensive.

Before attending a cabinet meeting at the Bina Graha presidential office here Wednesday [3 June], Mokhtar told reporters that non governmental circles, as well as the private business sector, had been included in the preparations.

He said ASEAN has paid greater attention to governmental activities, while nongovernment circles, whose role is also very important, had received less.

The minister said the private business sector provides job opportunities and helps accelerate transfer of technology.

Vietnam [subhead]

ASEAN foreign ministers will discuss preparations during a meeting in Singapore mid this month. He said Prince Norodom Sihanouk, who decided to take a one-year leave of absence from the Coalition Government of Democratic Kampuchea (CGDK), is not invited to the upcoming Singapore meeting. Observers from Papua New Guinea and the ASEAN dialogue partners will attend the meeting.

Mokhtar reiterated that Indonesia and other ASEAN member countries disagree to any aid given to Vietnam before the Kampuchean issue has been settled completely.

Earlier ASEAN stated that if the Soviet Union wanted to improve its ties with non-communist nations in the Southeast Asian region, it should first reduce or stop its economic and military aid to Vietnam. The association, grouping Indonesia, Thailand, Singapore, Malaysia, Brunei and the Philippines, has also been disappointed with a controversial Japanese plan to establish trade and economic ties with Hanoi.

It is necessary for the association to give a warning or "punishment" to Hanoi for its interference in the Kampuchean crisis.

He said although Indonesia and other ASEAN members disagreed with the aid given to Vietnam, trade relations with Hanoi may be maintained.

Indonesia, he said, has established trade ties with Hanoi, so has Singapore.

UNICEF DELEGATION VISITS, MEETS WITH LEADERS

Meets With Phoun Sipaseut

BKO41022 Vientiane KPL in English 0900 GMT 4 Jun 87

[Text] Vientiane, June 4 (KPL) -- Phoun Sipaseut, vice-chairman of the Council of Ministers and minister for foreign affairs, on June 3rd, received a UNICEF delegation headed by its Executive Director James P. Grant.

The two sides discussed UNICEF's cooperation with and assistance to the Lao PDR, describing it as important for the Lao people in building the country.

Phoun Sipaseut welcomed the delegation's visit and thanked UNICEF for its help so far.

Earlier, the delegation had met with Dr Khamliang Phonsena, acting-minister of public health, and Prof Bountiam Phitsamai, acting-minister of education.

The Lao side briefed the UNICEF delegation on the difficulties the educational and health services are facing due to geographical and historical conditions.

The two sides also exchanged views on the development of education and health, particularly in the prevention of diseases.

It was agreed that UNICEF will help Laos to overcome these difficulties, especially in building schools in rural areas and air-conditioning facilities for preserving medicines.

The UNICEF delegation arrived here on June 2nd.

Meets With Phoumi Vongvichit

BKO51245 Vientiane KPL in English 0858 GMT 5 Jun 87

[Text] Vientiane, June 5 (KPL) -- Phoumi Vongvichit, acting-president of the Lao PDR, vice-chairman of the Council of Ministers, on June 4, received here a UNICEF delegation led by its Executive Director James P. Grant.

Phoumi Vongvichit thanked UNICEF for its help to Laos and said he hoped that the present visit of the UNICEF delegation would further broaden UNICEF's cooperation with and assistance to Laos, particularly in the inoculation campaign against diseases being carried out in the country.

For his part, James P. Grant proposed to conduct the campaign widely throughout the country, and pledged UNICEF's help in solving some problems, particularly the provision of air-conditioning facilities for preserving medicines in Laos.

The delegation arrived here on June 2 and left on June 4.

FOREIGN MINISTRY DELEGATION LEAVES FOR CONFERENCE

BK041028 Vientiane KPL in English 0905 GMT 4 Jun 87

[Text] Vientiane, June 4 (KPL) -- A delegation of the Lao Foreign Ministry headed by its Deputy-Minister Souban Salitthilat left here for Pyongyang on June 3 to attend a special conference on South-South cooperation for ministers of the Non-Aligned Movement. The conference is to be held there from June 9-13.

The delegation then will fly to Austria to attend an international ministerial conference on anti-drug-trafficking to be convened in Vienna from June 17-26.

From July 6-10 the delegation will attend a conference for deputy-ministers of socialist countries in Sofia in preparation for the 42nd General Assembly of the U.N. the delegation will then leave for Geneva for the 7th conference of the UNCTAD, which will take place there from July 8-31.

SALI VONGKHAMSAO ADDRESSES AID DONORS MEETING

BK031229 Vientiane KPL in English 0900 GMT 3 Jun 87

[Text] Vientiane, June 3 (KPL) -- A round-table review meeting was opened here today with the participation of delegates from 11 bilateral donor countries, 15 multilateral donor organizations and 14 non-governmental organizations.

The agenda of the meeting includes rural development and the restriction of nomadic cultivation, rural health service, and women's role in the development efforts.

Representing the Lao Government, Sali Vongkhamsao, vice-chairman of the Council of Ministers and chairman of the State Planning Committee, pointed out in his inaugural speech that the meeting will review the main sectors and projects for which the LaoGovernment is seeking funds for the 1987-91 period. "Our country, though young and underdeveloped, has always aspired and striven for healthy economic relations with all countries throughout the world on the basis of mutual respect of each other's independence and sovereignty, as well as equality and reciprocity," he said.

The vice-chairman thanked the friendly countries and international and non-governmental organizations for their support and assistance to the Lao PDR. He further expressed his hope that the friendly countries and international and non-governmental organizations will continue extending their support and assistance to the Lao PDR.

SALI VONGKHAMSAO ATTENDS SWEDISH RECEPTION

BKO61129 Vientiane KPL in English 0916 GMT 6 Jun 87

[Text] Vientiane, June 6 (KPL) -- Swedish Charge d'Affaires Sten Ask offered a reception here on June 5 on the occasion of the Kingdom of Sweden's national day. Present at the reception among other guests was Sali Vongkhamsao, vice-chairman of the Council of Ministers, and chairman of the State Planning Committee. Diplomatic envoys and representatives of international organizations here also attended.

NPA CLAIMS RESPONSIBILITY FOR MANILA KILLINGS

HKO81335 Quezon City MALAYA in English 8 Jun 87 pp 1, 2

[By Jun Lopez, Joy Taller, and Manny Velasco]

[Except] A New People's Army unit operating in Metro Manila yesterday claimed responsibility for the series of killings of police officers and men, as well as a university vice president, in the past two weeks.

The NPA said the victims were abusive and did not render genuine service to the people.

This developed as another Metro Manila policeman and a soldier assigned to the Pasig Military Police Brigade were shot dead in separate incidents Saturday night by unidentified persons believed to be members of the New People's Army Sparrow Unit.

The policeman killed was Col. Ernesto Navarro, 45, head of the control and enforcement unit of the Mandaluyong Police traffic division. He was the fifth Metro Manila policeman killed since last Thursday.

The slain trooper was identified as 1st Lt. Sabino Millares, 36, a resident of Purok 4-b, Lower Bicutan, Taguig.

The Alex Boncayao Brigade, through spokesman Arnel Sandoval, said the identified partisan operation in the metropolis was also the rebels' challenge to President Aquino's declaration of all-out war against the insurgents.

"We want to show the bankruptcy of the government's policy on insurgency which is no different from that of Marcos's." Sandoval said.

Sandoval talked with selected newsmen somewhere in northern Manila to give their side on the rash of killings of police officers which prompted Manila Police Chief Brig. Gen. Alfredo S. Lim to reactivate the anti-sparrow Eagle Squad and President Aquino to order massive police and military operations to flush out rebels from the city.

Sandoval reiterated the Alex Boncayao Brigade's general policy that policemen, except those identified as "abusive and anti-people," are not their enemies.

Besides Oscar Soliven, the slain Technological University of the Philippines vice president, Sandoval said they have killed Lt. Col. Narciso Lacson, Navotas police chief; Sgt. Reynaldo Legaspi of the Capital Regional Command North Sector; Capt. Jaime de la Paz, chief of the Pasig Police mobile patrol division; Lt. Marcelino Dino, chief of the Manila Police theft and robbery section; and Pat. Ludovico Sese of the Malabon Police mobile patrol division.

Sandoval said the NPA unit also "punished" two leaders of vigilante groups in the city, a certain Danny Ong, said to be member of the constabulary Security Unit in Valenzuela and an unidentified "goon" of Lacson.

The alleged "sins" of the victims:

- Lacson, for involvement in Navotas "salvagings" (summary executions) and protection rackets.

- -- Soliven, for harassing TIP [Technological Institute of the Philippines] student activists and masterminding the frustrated murder of a student leader in 1984.
- -- Legaspi, for killing a community organizer in Quezon City last year.
- -- Sese, for participating in the violent dispersal of picket lines in Malabon in 1984.
- -- Dino, for figuring in the Jan. 22 Mendiola massacre.
- -- De la Paz, for tong [bribe money] collection and attacks against pickets in Pasig.

The Alex Boncayao Brigade warned leaders and organizers of anti-communist vigilante groups in Metro Manila that they would be next.

Sandoval identified at least two of these vigilante groups: Guardians of Democracy based in Malabon, and the Samahan ng Mamamayan sa Tondo [Tondo Residents' Association].

On the intensification of partisan operations in the capital region, Sandoval said the Alex Boncayao is considering all kinds of strategies, "including raids on police detachment." Belittling Mrs Aquino's order of a massive manhunt for them, Sandoval said the urban guerrillas could hurdle the military operation. He urged policemen to truly uphold and advance the interest of the people and reform themselves.

Sandoval said the members of the NPA Sparrow Unit operating the Metro Manila come up to "more than one squad but not 700," in response to a statement by Defense Secretary Rafael Ileto that they have reached 700. [passage omitted]

FORMER NPA LEADER WOUNDED IN MANILA AMBUSH

HK090135 Manila Far East Broadcasting Company in English 2300 GMT 8 Jun 87

[Text] Former Communist NPA leader Bernabe Buscayno was ambushed and wounded last night [8 June] in Quezon City. A companion of Buscayno's who was not immediately identified as killed, and two others were wounded. Buscayno, better known as Kumander Dante, is a former chief of the NPA. No one immediately claimed responsibility for the attempted assassination. (Tangona) said police teams were investigating the incident and it is not yet known who is behind the ambush or why they had acted at this time. Buscayno was taken to the Philippine Heart Center. He was slightly wounded by a bullet that grazed his back but he was able to talk to his companions while he was being treated. Hospital officials said they did not expect to keep him at the facility overnight. One of the men with Buscayno was admitted for emergency surgery while the other two were treated and released. Authorities posted three soldiers and two [words indistinct] outside the hospital emergency room.

CAPCOM STEPS UP OPERATIONS AGAINST NPA SQUADS

HK081357 Manila Radio Veritas in Tagalog 1300 GMT 8 Jun 87

[Text] Capital Regional Command [Capcom] today launched an all-out war against the alleged death squad operating in Manila.

Capcom chief General Alexander Aguirre ordered the action following the murders of six police officials in different parts of Manila at the hands of suspected sparrow units of the NPA. General Aquirre issued directives to all units of the Metropolitan police force to intensify their anti-terrorist operations. In addition, Aguirre revealed that the armed NPA groups in the city are being assisted by some civilians in depressed areas such as Dagat-Dagatan, Navotas, Tondo, Malabon, and Marikina.

[Begin Aguirre recording in English] Ah, most of them were special operations, meaning to say, we step up local contacts, undertake surveillance and [words indistinct]. The actual assassins came from other places outside of Metro Manila. [end recording]

MNLF REPORTEDLY RECEIVING MIDEAST ARMS

HK090209 Manila Far East Broadcasting Company in English 2300 GMT 8 Jun 87

[Text] In Zamboanga City, Southern Command chief Brigadier General Cesar Tapia confirmed reports yesterday [8 June] that the Moro National Liberation Front has received arms shipments from Middle East countries. Gen Tapia did not identify the countries supplying the Muslim rebels with arms but he said a big shipment of arms were landed in Sulu early this year and last month. The arms consisted of AK-47 assault rifles, V-10 rockets and other armaments. The Southern Command chief said the arms were distributed to rebels in Basilan, Zamboanga, and Sulu. Gen Tapia also said he is not certain if MNLF chieftain Nur Misuari is still in Sulu, or had returned to the Middle East when the peace talks collapsed last May.

MNLF VOWS NO FURTHER TALKS WITH GOVERNMENT

HKO81331 Manila PHILIPPINE DAILY INQUIRER in English 8 Jun 87 pp 1, 6

[By Roy S. de Guzman and Julmunir Jannaral]

[Text] The Moro National Liberation Front yesterday called the government's rejection of its proposal for a new round of talks in Jeddah, Saudi Arabia "a declaration of war" and said no further meetings will be held with any representative of the Aquino regime.

"The government has already declared war, and it's up for our people to respond," said Habib Jujahab Hashim, head of the MNLF panel negotiating with the government for peace and autonomy in Mindanao.

"We believe that what the government wants is for us to surrender, and not to have a peace agreement. To agree to their demands will be to surrender. We will not surrender. Instead we will fight for our people's liberation," Hashim said.

An hour-long meeting between Hashim and Ambassador Emmanuel N. Pelaez, the government's chief negotiator, ended on a sour note as Pelaez announced the government is going to implement autonomy in Mindanao through Congress even without the MNLF's participation.

To which Hashim replied: "The MNLF will have no part in that."

The meeting was held in Hashim's room at the Manila Midtown Hotel. It was their last meeting, Hashim said.

He said he is only awaiting the official government stand in writing, which Pelaez promised to give him Tuesday before MNLF peace panelists leave for abroad.

The MNLF proposal to hold talks in Jeddah, with the influential Organization of Islamic Conference (OIC) as mediator, was flatly rejected by the government.

"As a sovereign country, we cannot bow to pressure," Pelaez said.

He also added that the government is bound by the new Constitution "to always inform the people of the developments in the negotiations."

He said the government wants the talks held in the country -- with a free press recording the event.

Later, Pelaez told the INQUIRER he was not convinced that it was the OIC which had called for the Jeddah meeting.

He said an official government delegation, including newly-elected Muslim and Christian congressmen from Mindanao, will leave for the Middle East this month to solicit backing for the government's stand on the talks.

The government, Pelaez said, rejects what it calls "a document for secession" the MNLF presented during the negotiation asking for the autonomy of all 23 Mindanao provinces.

Hashim said "full autonomy, however meaningful, is still autonomy and not secession."

He expressed optimism that Muslim countries will side with the MNLF and impose economic sanctions against the Philippine Government.

Toward the end of the interview with newsmen, Hashim called President Aquino "a ruler worse than Marcos."

That elicited a strong reaction from Pelaez who told his Muslim counterpart: "Please, let us not get personal here."

Hashim, however, stuck to his guns: "I am not getting personal. I'm telling the truth. Ms. Aquino is at the helm of this government which perpetuates a system we are very much against and which we will fight to the end."

In Zamboanga City, MNLF spokesman Ustadz Sharif Zain Jali said the rejection by the government of the Jeddah talks is an outright rejection of the OIC mediation to settle the problem in Mindanao politically and peacefully.

He recalled that the joint statement signed by President Aquino and MNLF chairman Nur Misuari in Jolo on Sept. 5 last year stipulated that future talks would be held under the auspices of the OIC. The MNLF spokesman said the rejection is already a violation of the Jolo agreement.

Jali also said that the MNLF does not recognize the Philippine Constitution. Hence, there is no need for the question on autonomy to undergo constitutional processes, he added.

Jali also assailed Pelaez for misleadiang the Filipino people when he said that the MNLF was proposing secession, not autonomy.

Jali said Pelaez is just spreadinag lies to the Filipino nation and the MNLF supporters.

Government To Pursue Efforts

HK090159 Manila Far East Broadcasting Company in English 2300 GMT 8 Jun 87

[Text] President Aquino declared yesterday [8 June] her government will pursue its peace efforts for Mindanao despite the threat by the MNLF to go to war. Art Pabellon has the details:

[Begin recording] Press Secretary Teodoro Benigno, in a Malacanang press briefing yesterday, said the president wants peace and the talks to continue. She cannot even entertain the possibility of war because all Filipinos want peace, Benigno added.

The president, however, is not willing to have the panel hold the peace talks in Jeddah because it is primarily a domestic problem and should be negotiated within Philippine territory. Benigno explained that to hold the talks in Jeddah would have the effect of bringing in an international dimension that the president does not want to add to a purely domestic problem. MNLF negotiator Habib Hashim had earlier warned that there would be war on all fronts if the government panel does not show up in Jeddah for the talks on June 18. [end recording]

Negotiator on MNLF 'Bad Faith'

HKO81255 MANILA BULLETIN in English 8 Jun 87 p 1, 16

[By Roy C. Sinfuego]

[Text] The Moro National Liberation Front (MNLF) panel acted in bad faith during the talks with the government on Muslim autonomy in Mindanao, Ambassador Emmanuel N. Pelaez disclosed the other day.

Pelaez, chairman of the Philippine Government panel in the talks, said one act of "bad faith" by the MNLF panel headed by Habib Mujahab Hashim was its refusal to recognize that an agreement between the two panels signed in Jeddah, Saudi Aragia, was merely to "continue discussion" of the autonomy proposal.

Pelaez said the MNLF panel also did not want to accept that the proposal would still be "subject to democratic processes" argued upon in Jeddah.

Pelaez said he has informed Syed Shariffuddin Pirzada, secretary general of the Organization of Islamic Conference, in a meeting with him in Singapore, about the MNLF panel's stand which, he said, constituted a unilateral and unauthorized revision of the Jeddah accord.

Pelaez said that on the basis of the wrong interpretation of the Jeddah accord, the MNLF had accused the government panel of reneging on its alleged commitment in Jeddah to grant full autonomy to the entire island of Mindanao.

"In the press and on radio and television, the MNLF has accused the government negotiators in Jeddah of betrayal," Pelaez said.

He said the misinterpretation of the Jeddah accord by the MNLF had caused tension during the negotiations as the MNLF panel insisted that the area of Muslim autonomy has been agreed upon and therefore is non-negotiable.

Pelaez said that the Philippine Government representatives Aquilino Pimentel, Jr. and Agapito "Butz" Aquino had made it clear that any autonomy proposal would still have to be subjected to democratic processes, like plebiscites stipulated in the Jeddah accord, signed last Jan. 3 in Saudi Arabia.

Pelaez said he had also told Pirzada that the problem was compounded by what he described as the stance of the MNLF panel throughout the talks.

He said MNOF spokesmen had announced threats of "war," oil embargo by the OIC countries, blowing up of roads and bridges, and destruction of plantations of foreign multinational corporations by the MNLF during the negotiation.

The former vice president and secretary of foreign affairs said that the MNLF has also repeatedly said that it did not recognize the new Philippine Constitution although the people of Mindanao, Sulu, Basilan, Tawi-Tawi, and Palawan ratified it overwhelmingly during the Feb. 2 plebiscite.

Pelaez said he also told the OIC secretary general that the hostile attitude of the MNOF had alarmed the people not only in the Southern Philippines but throughout the country.

Another stumbling block to political settlement of the Mindanao problem, Pelaez said, is the problem as to who are the rightful leaders of the Muslim rebels.

Pelaez said the government has received wornings from the Moro Islamic Liberation Front (MNLF) and MNLF-reformists that they will not be bound by any agreement signed by the government with the MNLF. On the other hand, the MNLF had repeatedly warned the government panel that it would break off the talks should it deal with other groups. Pelaez said the MNLF should abandon its hostile attitude and make clear to the Filipino people that it respects the Constitution and sovereignty of the Republic of the Philippines.

"The MNLF should also make it clear that the autonomy it seeks must be within the sovereignty and constitutional processes of the Philippines," he said.

ARMY, MUSLIMS SAID LOCKED IN HEAVY FIGHTING

HK060326 Manila Far East Broadcasting Company in English 2300 GMT 5 Jun 87

[Text] Government troops were reported locked in heavy fighting with some 1,000 Muslim rebels in Barangay Labo, Talayan, Maguindanao. The fighting started at 1400 yesterday and was still raging until last night. The fighting broke out 4 kilometers from the main MNLF Camp (Safadrudin). There were no details of clash as of news time. Army troops aboard armored cars were reported being aided by civilian militias in the fighting.

CORDILLERA PACT SIGNING SET FOR 9 JUNE

HKO51301 PHILIPPINE DAILY INQUIRER in English 5 Jun 87 pp 1, 10

[By Roy S. de Guzman]

[Text] The government will sign Tuesday [9 June] a pact with leaders of various pro-autonomy groups in the Cordillera creating an interim body to oversee, for at least two years, the economic and political affairs of five provinces in Northern Luzon.

Chief government negotiator Emmanuel Pelaez and the members of his panel are scheduled to go to Baguio City next week to sign the agreement with their counterparts from the Cordillera panel, headed by newsman Abrino Aydinan, a Cordillera native.

Former priest Conrado Balweg, leader of the so-called Cordillera People's Liberation Army [CPLA]; will also be present during the signing.

After the signing, President Aquino is scheduled to issue an executive order creating the Interim Cordillera Regional Administration (ICRA).

A member of the government panel handling negotiations with the various pro-autonomy groups in the Cordillera told the INQUIRER that the President was previously scheduled to sign the draft order prepared jointly by the government and Cordillera panels today. But she reportedly begged for more time to go over the proposal.

Dr Purificacion Quisumbing, Pelaez's close adviser in the Cordillera negotiations, said a plebiscite is to be held next month in the five affected provinces -- Abra, Benguet, Ifugao, Kalinga-Apayao and Mountain Province -- to determine which areas will be placed under ICRA.

Quisumbing explained the provinces and cities which vote against ICRA will not be placed under the interim body's jurisdiction, as the agreement provides.

"After months of negotiations, we have finally agreed on a common draft," she said.

The successful negotiations for Cordillera autonomy marked the first time a rebel group has agreed with the government on a political settlement. Similar talks with communist and Muslim rebels have collapsed.

Under the proposed executive order, the ICRA will function as an interim autonomous body until Congress enacts an organic act for an autonomous regional government in the Corillera.

Quisumbing explained that since Congress has yet to determine the kind of autonomy to be implemented in the Cordillera, the ICRA will have only limited executive and judicial powers, to be handled by a Cordillera Executive Board and a Cordillera Regional Assembly.

No one in particular was cited in the agreement to head any of the two bodies, and Quisumbing stressed those who would eventually sit in the executive and legislative branches will be elected at large.

The Balweg-led CPLA has also been placed under the direct command of the President but the rebels are being asked to coordinate with the military and other government agencies in carrying out their peace-keeping function.

Balweg and his followers earlier threatened to break off from the talks after complaining that government wants to turn the CPLA into a para-military force similar to the CHDF.

But a compromise provision wherein the CPLA is not placed under the direct command of the Armed Forces of the Philippines appeased Balweg and led to the agreement.

AQUINO REPEALS MORE DECREES FROM MARCOS YEARS

HKO81351 Quezon City MALAYA in English 8 Jun 87 pp 1, 2

[Text] President Aquino has repealed seven presidential decrees issued by former President Marcos which imposed stiff penalties on crimes against the state, it was learned yesterday.

Mrs Aquino also has restored old laws which impose lighter penalties for such political crimes.

The President voided these "repressive" Marcos laws against rebellion or subversion in Executive Order No 187. She said her action was to carry out the human rights provision of the 1986 Constitution that says: "The State values the dignity of every human person and guarantees full respect for human rights."

Repealed were interrelated Presidentail Decree [PD] Nos 38, 942, 970, 1735, 1834, 1974 and 1996. Presiden Aquino also repealed articles 142-A and 142-B of the Revised Penal Code.

Presidential Decree 1834, among others, has been the target of objections from various groups. The decree increased the penalty for subversion from life imprisonment to death. It also made subversion a non-bailable offense.

Of the groups that lobbied for the repeal of these decrees, the more prominent were the defunct Presidential Committee on Human Rights [PCHR] and the communist National Democratic Front (NDF).

In a resolution last year, the PCHR urged Mrs Aquino to repeal some 19 Marcos decrees, including the seven, and restore the laws that existed before these decrees were enacted.

The NDF, after its peace talks with the government were aborted early this year, included the repeal of these Marcos decrees among its 10 demands for any resumption of the peace negotiations.

In the executive order, President Aquino also restored Articles 135, 136, 137, 140, 141, 142, 143, 144, 146, 147, 177, 178 and 179 of the Revised Penal Code.

Under these articles, penalties for those convicted of rebellion or subversion consisted largely of "prison mayor" -- a minimum sentence of six years and one day to a maximum of 12 year. A P20,000 fine is also imposed.

When Marcos started amending the Penal Code, he merely increased the penalties and made distinctions between sedition leaders and followers. But by May 2, 1975, Marcos decreed death on anyone accused of sedition or rebellion. It was only 10 years later that Marcos again made distinctions.

In the same year, however, Marcos issued the controversial PD 1735 which forfeited the citizenship and property rights of persons accused of political crimes. The decree also enabled local courts to try and judge an accused even if he or she was in exile.

It was largely acknowledged at that time that the decree was aimed at Marcos opposition in the United States.

Executive Order 187 was signed last June 5 but was released only yesterday, the palace said. It followed the repeal Saturday of a Marcos decree which penalizes any attempt on or conspiracy against the life of the President and his official family.

Senator-elect Rene V. Saguisag told newsmen yesterday that the voiding of these decrees was in keeping with Mrs Aquino's promise during the snap presidential election campaign.

Saguisag, together with Executive Secretary Joker Arroyo, was among the human rights lawyers who pushed the legal limits of these laws during the Marcos years.

ABROGATION OF PHILIPPINES-USSR PROPERTY PACT URGED

HKO51327 Manila THE MANILA CHRONICLE in English 5 Jun 87 pp 1, 6

[By staff member Cristina Pastor]

[Text] The controversy surrounding the ongoing construction of the Soviet residence in Forbes Park is threatening to develop into a diplomatic test case with the Forbes Park Association (FPA) challenging the Department of Foreign Affairs (DFA) to abrogate the Philippine-Soviet property acquisition agreement.

FPA lawyer Felix Carao Jr. said village residents would intensify their protest action against the Soviets for violating zoning laws. He said the residents will picket the DFA and demand the cancellation of the 1984 agreement entered into by the Marcos government.

The Soviet Embassy has stated that all agreements entered into by the previous regime must be honored by the Aquino government.

In a press conference, Vice President and Foreign Secretary Salvador Laurel said the agreement, which he admitted did not take into consideration the principle of reciprocity, could still be "recitified through diplomatic discussions." He did not elaborate.

Under the agreement's principle of reciprocity, the Philippines and the Soviet Union can acquire property in each other's territory.

However, the Marcos government, Senator-elect Leticia Shahani said, "committed a mistake" when it signed the agreement, because in the Soviet Union all properties are owned by the state and may not be acquired privately. In other words, the Philippines cannot have its own property there.

"Doon tayo nagkamali," ["that was our mistake"] Shahani told reporters. "We should have exacted the other end of the bargain."

The FPA has accused the Soviet Government of violating village zoning regulations by building "multi-level office and staff apartment buildings" instead of the regular single residence. Carao said security has also become a concern of the residents.

Former Ambassador Amelito Mutuc had claimed that tunnels and sophisticated spying devices were installed inside the Soviet trade representative's residence.

Embassy Counsellor Victor Samoilenko branded Mutuc's allegations "ridiculous."

"Where did he say will the tunnel lead? [as published] From Narra Place to his bedroom?" Samoilenko said. "Cheap statements of this kind are not worth commenting on."

He added, however, that the Soviet Embassy would allow the Makati architect's office to inspect the residence "once construction is finished."

The American Embassy, for its part, denied Soviet charges that it was orchestrating the daily picket at Narra Place where the Soviet residence is located.

In an interview, Charge d'Affaires Philip Kaplan said the charges were "amusing".

"Filipino people presumably have freedom of speech and can say what they want to say. They say it in front of our embassy and that's just fine with us," Kaplan said.

Kaplan declined comment on the possible presence of sophisticated Soviet equipment inside the residence, adding, however, that in Washington, "there's a lot of antennae that spring into the sky around the Soviet Embassy."

The FPA tagged the Soviet allegation "unfair and irresponsible."

COLUMNIST WARNS OF KMU-INSTIGATED LABOR UNREST

HK081247 Manila MANILA BULLETIN in English 8 Jun 87 p 6

[From the Jesus Bigornia column]

[Text] A rash of crippling labor strikes, most of them instigated by the radical Kilusang Mayo Uno (KMU) [1 May Movement], appears to confirm reports on a communist plot to destabilize the Aquino government before 1990. According to Camp Aguinaldo sources, the military has captured "a master plan" drawn up by the Communist Party of the Philippines (CPP) with its civil and military arms, the National Democratic Front (NDF) and the New People's Army (NPA) calling for progressive countryside work stoppages as a prelude to wrecking the national economy and eroding the government's will to fight back.

That the KMU is interfaced with the CPP-NDF-NPA troika is no secret. Well-known "agents provocateur" of the NDF and the NPA have figured prominently in rallies and demonstrations, including violent confrontations with the police and the military, that the KMU have stage-managed. [paragraph continues]

It has likewise become public knowledge that the KMU maintains close ties with and receives moral and logistical support from the Soviet Union. The sympathies of the radical movement are, therefore, well known to the civil and military authorities of the Philippines.

Observers to the Philippine political scene note with much headshaking that government, instead of cracking down on obstinate radical unions, appears either afraid of or coddling their leaders. While the interests and welfare of workers must be protected at all times by government, officialdom must also consider the interests and welfare of the greater mass. Above all, it should view the increasing number of factories and service companies closing as erosion of sources of revenue to pay for public improvements for and services to the people.

SECURITY EQUIPENT POOLS ACCORD SIGNED WITH U.S.

HKO51229 Manila MANILA BULLETIN in English 5 Jun 87 pp 1, 18

[By E.T. Suarez]

[Excerpt] The Philippines and the United States signed yesterday an agreement establishing joint security equipment pools at Subic Naval Base and Clark Air Base commands to enhance their day-to-day security.

Gen. Fidel V. Ramos, chief of staff of the Armed Forces of the Philippines, signed for the Philippine Government, while Admiral Ronald J. Hays, commander-in-chief of the U.S. Pacific Command, signed for the United States.

The agreement high-lighted the 29th anniversary meeting of the Philippines-United States Mutual Defense Board (MDB) held at the Philippine International Convention Center (PICC). The meeting was hosted by Vice President and Foreign Affairs Secretary Salvador H. Laurel and jointly presided [over] by Ramos and Hays, co-chairmen of the Mutual Defense Board.

Hays told newsmen that under the agreement, the unified equipment pools will be made available for use by the Philippine and the U.S. facility security forces.

He said the equipment will be used against security threats coming from either the inside or outside the bases. He declined to say whether the equipment will be used against insurgency, adding that "the equipment pools will be availed of to defuse any security threats on the bases."

The board was created on May 15, 1958. Its monthly meeting is hosted alternately by U.S. and Philippine officials.

Laurel, in his remarks during the opening ceremonies, said "the board has made significant strides in placing in its proper context the security relationship between the Philippines and the United States, particularly in the light of the Philippine Government's dsire to be eventually self-reliant in its defense capability."

He said the board reaffirmed the commitment of the Philippines and the United States to develop and improve, through continued military cooperation and exercises, their common defense capabilities.

"During the board's 29 years of existence, there have been strains in the relationship between our two countries," Laurel said. "However, these challenges have only served to strengthen and fortify our mutual resolve to improve, through consultation and cooperation, the mutual defense of our two countries."

Laurel said that in the coming review of the RP [Republic of the Philippines]-U.S. military bases agreement in 1988, the board will be able to recommend to their respective governments how best to resolve problems that have arisen in connection with the implementation of the provisions of the agreement.

"Doubtless, the presence and functioning of the Mutual Defense Board has reduced to a minimum the number of unresolved issues that have confronted the parties to the Military Bases Agreement," Laurel said.

Minister Philip S. Kaplan, U.S. charge d'affaires who represented Secretary of State George Shultz, said the board and its members give meaning to the concept of U.S.-Philippine mutual security. [passage omitted]

EDITORIAL URGES REVIEW OF PHILIPPINES-U.S. AFFAIRS

HKO51231 Manila MANILA BULLETIN in English 5 Jun 87 p 6

[Editorial: "Republic of the Philippines--U.S. Affairs Review"]

[Text] Reports from Washington indicate that a comprehensive review of U.S. foreign policy is in progress on Capital Hill. The exercise will inexorably encompass, among other vital matters, Philippine-American affairs.

The Philippine Government should itself undertake an across-the-board review of Philippine-American affairs. The coming session of the Philippine Congress will provide an excellent occasion for a close and searching look at Philippine-American relations.

While Congress still is not in session, the National Security Council, which has been dormant since its creation, should engage in serious and constructive studies and discussions concerning urgent mutual security problems facing the two countries.

The Philippine Government should be prepared to meet the challenges presented by expected or possible innovations in U.S. policy toward the Philippines. Those charged with the making and conduct of Philippine foreign policy should put a stop to the chronic habit of dealing with diplomatic matters on an ad hoc basis. That habit has led to unfortunate and harmful situations for the country.

The framework for the mutual security arrangements and mutual economic cooperation between Manila and Washington has to be updated. The Philippine-American Military Bases Agreement does not expire until 1991, but the Philippines does not have to wait until then to seek improvements in the structure of mutual defense. Under the Mutual Defense Treaty, either signatory can move for a review of the pact at any time.

Persistent reports of foreign assistance to the communist and Moslem rebels pose a problem within the scope of that treaty. There is no denying the fact the Philippines is, at all events, in dire need of steady U.S. military assistance.

FURTHER REPORTAGE ON RAMOS COMMENTS ON MILITARY

HKO70823 Manila PHILIPPINE DAILY INQUIRER in English 7 Jun 87 pp 1, 9

[Text] Gen Fidel V. Ramos yesterday said there is a splinter group in the military fraternity which continues to recruit members of the Armed Forces and the police.

Observers remarked that Ramos' disclosure on the splinter group -- a large fraternity of servicemen -- was a virtual admission of the continuing divisiveness within the Armed Forces.

"Consolidation is by no means over. We still have quite a long way to go. What is going on in the AFP [Armed Forces of the Philippines] is a reflection of what is going on in our society itself. There continue to be destabilizing forces, destabilizing efforts to all kinds," Ramos explained.

"But as we move along, the conditions of stability and security continue to improve. Perhaps gradually, but it is improving steadily," he added.

Ramos, however, refused to identify the splinter group, adding only that it is recruiting members "to do things which are not only illegal, but also inimical to the mission of the Armed Forces and to the stability of our society and government."

But Ramos' description of the military fraternity at "large" pointed to only the Guardians for Brotherhood Movement, whose members figured prominently in several coup attempts against the government of President Aquino. The fraternity claims a membership of at least 70 percent of the 160,000-strong AFP.

Some junior officers have been assailing Ramos in anonymous press statements and leaflets circulated inside military camps which the AFP described as "poison letters, to divide the Armed Forces by attacking the leaders, to include the commander in chief and create cleavages among units because of imagined or non-existing conditions in the AFP."

One of the latest press statements came from an alleged junior officer from Central Luzon, who claimed there was a "vacuum" in the AFP leadership.

When asked to comment on that news item, Ramos answered: "With due respect to him and to the writer, I think this group is really very unprofessional. It appears to be the statement of an apologist in that they appear to be justifying what we consider to be unprofessional and undisciplined actions and behavior on their part."

He added: "We are trying to bring back to our mainstream all of these recalcitrant and disgruntled elements. But basically those that are very vocal but who do not identify themselves are those that have not been able to comply with our higher standard of discipline now as compared to before. Some of these guys can not even cut their hair short as what is required in our regulations."

The AFP chief said the guidelines he issued regarding the rules for fraternities within the military on Feb. 22 have not been changed.

On the contrary, he said the Armed Forces is supporting "and even encouraging" fraternal groups, provided that:

- -- They are supportive of the AFP.
- -- They are properly organized, [and] the leaders properly identified.
- -- Their activities are not to be contrary to law.

"Again, it is this splinter group that appears to get the bulk of media attention, to the detriment of the very many in the other organizations who continue to do their jobs faithfully in support of the Armed Forces mission."

Ramos at one point addressed himself to the members of the splinter group. "All I can say is that all you guys, you few guys who continue to recruit people from within our ranks so that you can do your own thing which is outside the Armed Froces mission, why don't you just come back to us and join us in the mainsteam of the AFP?".

FERRER SAYS LEFTIST OICS TO BE REMOVED

HK080607 Quezon City Radyo Ng Bayan in Tagalog 0330 GMT 8 Jun 87

[Text] Local Governments Secretary Jaime Ferrer said officers in charge [OICs] who are found to be left-leaning will be removed from their posts. Ferrer said he has received reports that 10 OICs holding office in various towns in Bicol are leftists. He said the removal of these officials will be based on their subversive activities. At the same time, Ferrer ordered other OICs to form vigilante groups to help the administration prevent the spread of communism in the Bicol region.

FOREIGN DEBT INTEREST PAYMENTS TO INCREASE

HK070851 Manila MANILA BULLETIN in English 7 Jun 87 p 25

[Text] The Philippines' interest payments on its foreign debt will increase by \$157 million this year if the London Interbank Offered Rate (Libor) climbs to an average of 7.5 percent, Central Bank Deputy Governor Edgardo Zialcita said.

"Assuming that the uptrend in Libor holds such that the average for the year comes to 7.5 percent, interest payments will go up by \$157 million," Ialcita said in a memorandum to Central Bank Governor Jose Fernandez Jr.

In the memorandum, Zialcita said Libor started rising in February.

Zialcita said Libor, the benchmark rate on which commercial banks base their lending, stood at 6.3 percent at the end of 1986 but are aged 7.865 percent for the May 18-22 period.

He said targets drawn up for 1986 by the government and the International Monetary Fund assumed a Libor rate of 6.5 percent. A rise might result in total interest payments in 1986 of \$2 billion, he added.

Manila's foreign debt stood at \$28.2 billion at the end of 1986. Zialcita said interest payments by the Philippines totalled \$508 million in the first quarter of 1986, 8.8 percent higher than the projected \$463 million.

Zialcita said the impact of every percentage point change in interest rates was about \$130 million on external accounts.

He said the additional outlay would have to be covered by foreign exchange receipts, such as dollar purchases from commercial banks, to meet the country's end-1987 gross international reserves target, set at \$3.4 billion.

Zialcita said actual oil import prices averaged \$16.69 per barrel during the first quarter. Compared to the projected average of \$14.98 per barrel, the oil bill was \$243 million instead of the projected \$221 million.

Zialcita said the targeted \$18 per barrel average price set by the Organization of Petroleum Exporting Countries (OPEC) seemed to be holding, with spot prices reaching \$17.55 per barrel on May 18.

He said crude oil imports were expected to reach 53.61 million barrels and cost \$933 million in 1987, at an average \$17.40 per barrel.

The Philippines imported 48.8 million barrels of oil at a cost of \$727 million in 1986.

AQUINO PLANNING TO VISIT EUROPE IN OCTOBER

HKO81355 Quezon City MALAYA in English 8 Jun 87 p 4

[From the "From All Corners" column by Larry V. Sipin: "Europe in October"]

[Text] It's definite -- President Cory is leaving for Europe next October.

Palace aides are now working out her schedule. There is a draft itinerary but it is very flexible at this stage of the planning with only one stop firmed up -- the Vatican on October 17 for the canonization rites of our saint -- Lorenzo Ruiz. Bonn and Paris are also definitely on the itinerary.

CARDINAL SIN TO VISIT SOVIET UNION IN JULY

HK070741 Manila THE MANILA CHRONICLE in English 7 Jun 87 p 6

[Text] Manila Archbishop Jaime Cardinal Sin said his trip to the Soviet Union next month would be historical because it would be the first time the Soviet Government and church invited a cardinal from a foreign country to deliver a homily during the celebration of the millennium of St. Sergius there from July 8 to 20.

The cardinal said the event commemorates the advent of Christianity in the Soviet Union 600 years ago.

Sin said he was probably invited to grace the occasion because the Philippines, being a Third World country, was not perceived as "threat" by the Soviets.

Sin said he does not know yet whether he will be meeting Soviet leader Mikhail Gorbachev.

THAI PARTICIPATION IN ASEAN SUMMIT REPORTED

BK080800 Bangkok Domestic Service in English 0000 GMT 8 Jun 87

[Text] Foreign Minister Sitthi Sawetsila will meet his counterparts from ASEAN countries on 15 June at the 20th ASEAN Ministers' Meeting in Singapore. The 3-day session will concentrate on the ASEAN summit on Kampuchea and its refugee problem. The ministers' meeting will be preceded by two preliminary sessions — the ASEAN senior officials' meeting during 9 to 11 June and the ASEAN summit Organizing Committee's meeting during 12 to 13 June. Permanent Secretary for Foreign Affairs M.R. Kasemsamoson Kasemsi will lead to Thai delegation at the third meeting.

According to Foreign Ministry Spokesman Sarot Chawanawirat, after the ASEAN ministers' meeting, ASEAN foreign ministers will hold talks with dialogue partners such as the United States, Canada, Australia, and Japan. The talks will take 3 days from 18 to 20 June during which economic cooperation will be discussed.

FOREIGN MINISTRY SPOKESMAN DISCUSSES CAMBODIA

BK081015 Bangkok SIAM RAT in Thai 8 Jun 87 pp 1, 16

[Text] Sarot Chawanawirat, director general of the Foreign Ministry's Information Department, commented on Thailand's attitude toward Prince Norodom Sihanouk's 1-year leave of absence from his position as the president of Democratic Kampuchea by saying: We believe that he will certainly return to lead the three Cambodian factions and that he will not do anything that could have an adverse effect on the free Cambodian alliance.

Sarot went on to say that so far, Thailand has not yet decided on any action in this regard and will bring the matter up for discussion with the other ASEAN members during the meeting which will be held in Singapore 15-20 June.

Touching on the border situation in Chanthaburi and Trat Provinces, Sarot said that the continuing fighting between the Heng Samrin regime and the three Cambodian patriotic factions inside Cambodia is causing artillery shells and rockets to land inside Thai territory in Bo Rai District of Chanthaburi and Khlong Yai District of Trat Province.

Sarot said: "Statistics provided by the marine task force in Chanthaburi Province reveal that 3,000 artillery shells landed on our soil from October 1986 to early June this year. They continue to fire ballistic missiles into Thai territory causing losses of lives and property of the people living in the border area."

Citing military reports, Sarot disclosed that since October last year, 235 Cambodian people have fled to take refuge in Thailand. During the same period, 40 Vietnamese soldiers and 30 Heng Samrin men surrendered to the Thai authorities, adding: "The number of the Vietnamese boat people who landed on Thai shores during the same period was as high as 3,000."

BORDER FORCES ON ALERT ON BURMESE BORDER

BK090111 Bangkok BANGKOK POST in English 9 Jun 87 p 2

[Text] Mae Hong Son -- Border forces here have been put on alert following a new Burmese Government offensive against rebel minority groups, a military source said.

A Burmese force comprising 500 soldiers and 300 porters on Sunday crossed the Salween River and moved towards the Thai border in an effort to crush the rebels.

Positions of Karenni and Kachin rebels were attacked and a Karenni camp at Huai Pong Lao was overrun and razed on Sunday night, the source said.

Two Burmese soldiers were killed and one captured by the Karennis while three Kachin rebels were killed and three wounded.

About 500 Karenni and Kachin refugees have fled across the border to Ban Thong Pu Chai and Ban Dua Ngom in Muang District of Mae Hong Son.

PROTEST TO UN ON SRV SHELLING SUBMITTED

BK090107 Bangkok BANGKOK POST in English 9 Jun 87 p 3

[Text] Thailand has submitted a protest note to the United Nations over the Vietnamese shelling of Site 2 camp in Ta Phraya late last month.

The incident left eight Khmer civilians dead and 22 seriously wounded.

The note was handed to UN secretary-general Javier Perez de Cuellar by Thailand's Ambassador to the United Nations, M.L. Phiraphong Kasemsi, last Friday.

The note said that after a clash between Thai soldiers and Vietnamese intruders west of Ta Phraya on May 29, Vietnamese forces in Kampuchea fired rounds of recoilless rifles and mortars in support of their troops.

The note said Vietnamese shells landed on Site 2 camp at Sanlo Cha-ngan where some 150,000 Khmers were living.

The note also said Vietnamese troops made more than 720 intrusions into Thailand between January and May.

Seventeen Thai villagers were killed and 33 wounded by the intruders and some 100 houses destroyed or damaged.

Describing the Vietnamese action as "inhuman," the note said Thailand will do everything to protect its sovereignty and territorial integrity and added Vietnam must be held responsible for the consequences.

CONFERENCE DISCUSSES PLIGHT OF REFUGEES

BKO80830 Bangkok THE NATION in English 6 Jun 87 p 5

[Text] Aranyaprathet -- Resettlement of Indochinese refugees abroad has not and will not solve the refugee problem, according to participants in an international conference held last week in this eastern border town.

Alternatives to resettlement must be found, or Thailand will end up as semi-permanent host to the hordes that have fled Kampuchea, Vietnam amd Laos, the participants warned.

The four-day conference on refugees was organized by Chulalongkon University's Institute of Asian Studies and sponsored by West Germany's Stiftung Volkswagenwerk.

In papers and discussion, the delegates from 13 nations concluded that options are limited for dealing with Indochinese persons now on Thai soil. Authorities can:

- -- Allow the aliens to return to their home countries when possible.
- -- Enable them to go to nations other than Thailand for resettlement.
- Keep them here indefinitely.
- -- Or come up with some new alternative.

The first option, voluntary repatriation, emerged from discussions as the most desirable route for all concerned. But conditions in Indochina do not currently permit repatriation on a large scale, and little hope is seen as long as the Kampuchean conflict continues.

Foreign participants reported that the option of resettlement abroad has become increasingly unpopular in the so-called "third countries," which have accepted more than 600,000 refugees by way of Thailand during the last decade. This country now harbours 116,000 additional refugees, as well as 260,000 Indochinese who are classified as "displaced persons," meaning that they are not eligible for resettlement elsewhere.

Most of those presenting papers during the May 28-31 workshop were scholars or members of private organizations, hence their positions do not necessarily reflect the policies of their governments. Key Thai participants were also academics; the workshop was part of a two-year research project addressing refugee issues.

But the opinions of the participants provided important insights into political sentiments and government polices forming abroad.

Whereas Thailand has continued to insist that refugees must not remain in this country indefinitely, a consensus has formed among other nations that continued large-scale resettlement is neither productive nor possible.

"Resettlement does not provide the ultimate solution," wrote Leonard Davis, principal lecturer at City Polytechnic of Hong Kong's department of social administration.

"The process cannot be continued much longer," Davis wrote. "Repatriation, local integration and resettlement must be the priorities, in that order."

Participants tried to specify conditions necessary for voluntary repatriation of Indochinese refugees, however unlikely that might be in the short term. For the Chinese delegate, the answer was bluntly political.

"The solution to the issue of Indochinese refugees is to stop the Vietnamese aggression against Kampuchea by means of withdrawing all the Vietnamese troops," wrote Zhu Rong, of the Institute of Indochinese Studies at Nanning.

Others were more willing to compromise. The Swiss delegate, who felt local integration must be avoided at all costs, urged improvement of political and economic conditions in Indochina to pave the way for refugees' return there.

Dr Kingsley Seevaratnam, head of the Asia-Pacific Department of the Geneva-based League of Red Cross and Red Crescent Societies, urged those countries that have been funding refugee-assistance programmes to channel money to Indochinese reconstruction.

"If we help with their reconstruction, I would imagine that the process (of voluntary repatriation) will be much faster," he said.

But Serge Thion, of the Centre National de la Recherche Scientifique in France, said Vietnam would have to demonstrate improved efficiency before Western nations could be expected to provide assistance.

Seevaratnam said ASEAN and its supporters should be more flexible than setting immediate withdrawal of Vietnamese troops as a condition for improved relations with Hanoi.

Dr Khian Thirawit, director of the Institute of Asian Studies, suggested that a special economic zone be established in Vietnam, whereby Western aid could be administered to help those who would otherwise intend to flee. The zone would not imply recognition of Hanoi, Khien said.

Sunai Bunyasiriphan, director of the social affairs division of the Foreign Ministry's international organizations department, said Thailand has suggested creation of "safety zones" for Indochinese displaced persons within their own countries as a means to stem their outflow and to facilitate their return.

The Thai recommendation was discussed during a meeting of government delegates to the 26th annual session of the Asian-African Legal Consultative Committee (AALCC), held in Bangkok in January. The proposal reportedly received wide support from the AALCC.

Sunai said international organizations should be designated to implement the Thai idea.

Such new ideas are crucial, Thion said, because resettlement has become a dwindling proposition.

"The refugees are here," Thion said. "They are going to stay here unless some other kind of solution is found -- other than resettlement."

Foreign participants explained that at least two factors have been closing the doors in resettlement during the past four years.

First is the public-opinion backlash that has occurred abroad following initial outpourings of support for accepting refugees. In Canada, for example, negative public opinion threatens to "erode even further Canada's commitment to refugee resettlement," according to participants from Ottawa and Winnipeg.

Restrictive policies are looming, they said.

In Hong Kong, which is both a country of first asylum and of resettlement, 67 percent of citizens in a recent survey said that the government should refuse to allow any more Vietnamese boat people to land.

Second is a growing sense among nations accepting refugees that resettlement has been an expensive, difficult programme that has done little, if anything, to solve the fundamental problem.

Opinion makers in these countries now feel that resettlement should be carried out only in a limited manner, and only if it "buys" something in return, such as concessions from Thailand to host populations indefinitely. They point that international law lists resettlement as the last option, behind repatriation and local assimilation.

Dennis Gallagher, of the U.S. Refugee Policy Group, said he did not believe Western countries would completely halt resettlement in the near future. But he said those countries realized that resettlement partly prompted more outflow of refugees.

He said the West should use resettlement offers to greater advantage than in the past, treating the offers as leverage to encourage other solutions to the refugee problem.

"We need to work on voluntary repatriation and should provide financial aid to Vietnam and Laos to try to open up that process," he said.

He said his Refugee Policy Group, a private organization, would support attempts by the U.S. Government to improve relations with Laos and to provide economic assistance. The United States stopped providing bilateral assistance following the communist takeover in 1975, and has maintained a low level of diplomatic ties with Vientiane.

"We ear as our clear hope that our continued commitment to resettlement will buy some continued patience on the part of countries of first asylum," Gallagher said.

Withit Mantaphon, Chulalongkon professor of law, noted that governments in this region have a policy against assimilation of refugees, and asked whether the possibility could now be broached.

Withit suggested that refugees link with local populations to some extent, and he advised that skills of refugees should be promoted instead of being allowed to languish in the camps. He suggested the involvement of more local non-governmental organizations in dealings with refugees.

Surin Chaithotwong of the Thai Red Cross Society countered that developing countries woud be hard-pressed to handle settlement of massive numbers of refugees.

"It will create another pull factor," Surin said, meaning that the promise of safe settlement nearby would act as a magnet to draw more migrants.

But in a somewhat leading statement, a United Nations official noted that many of the ethnic groups among Indochinese refugees are represented already among ethnic groups in Thailand. He insisted no value judgment should be attached to his observation, however.

One foreign participant remarked privately at this point in the discussions that the tables had turned. Representatives of third countries felt that the Thais had called the workshop in part to persuade foreign nations to accept more refugees, the participant said, now the Thais are being asked to keep the refugees.

Thailand, of course, adamantly opposes this route. Officials here say that this nation does its share as a country of first asylum, and maintain that nations better equipped to receive permanent populations should do so in accordance with the promises and responsibilities. But foreign participants at the conference said that in the final analysis, Thailand will be able to do little to force other nations to buck domestic public opinion and continue accepting refugees. They noted the escalating refugee crisis worldwide, and said that Thailand faces competition from other countries of first asylum that are desperate to solve their own refugee problems.

"The Thais are having difficulty accepting the fact that they're going to be stuck with this for a long time," one participant said.

Pending an acceptable political settlement in Kampuchea or agreement on alternatives to resettlement, Thailand will be stuck in a "long-term, temporary" situation with a large population of residual refugees on its hands, he said. While this rather curious phrase might seem an oxymoron to some, Tanzania and other countries are already examples of the condition. Thailand will have to be resourceful if it is to avoid their fate.

FOREIC MINISTRY TO CEASE COPYRIGHT CLARIFICATIONS

BK060131 Bangkok THE NATION in English 6 Jun 87 p 3

[Text] The Foreign Ministers will stop giving clarifications on the controversial copyright issue to other government agencies or private groups, the Foreign Ministry spokesman said yesterday.

Spokesman Sarot Chawanawirat said that since September the ministry has done enough explaining to government agencies, members of the House, student leaders and labour union representatives.

But he said that the ministry is ready to provide background information to any individual genuinely interested in the issue.

The spokesman said the ministry stands firm on the proposed amendment to fulfill the bilateral commitment under the Thai-U.S. Treaty of Amity and Economic Relations.

Now the proposed amendment will have to be decided by the Juridical Council and the House of Representatives, he added.

Sarot said the ministry adheres to three principles in endorsing the copyright amendment to protect the U.S. copyrights: to secure Thailand's largest export market, to have a positive effect of the Generalized System of Preferences (GSP) and to abide by the commitment in the bilateral agreement.

On June 3, Sarot said the Cabinet gave the ministry the additional guideline that Thailand, in any negotiation with the US, shall adhere to the principle of equal reciprocity.

The spokesman pointed out the ministry has always follows the principle in order to protect national interests.

RESULTS OF BANGKOK BY-ELECTION ANNOUNCED

BK080724 Bangkok Domestic Service in Thai 0000 GMT 8 Jun 87

[Text] At 2100 yesterday, Bangkok Governor Major General Chamlong Simuang announced the results of the by-election which was held in Bangkok's constituency three. Dr Bunthiam Khemaphirat, candidate No 1 from Prachakon Thai Party, received the highest tally, 20,728 votes, thus becoming the new Bangkok member of the House of Representatives. Candidate No 2 Aphichat Damdi from the Democratic Party received 1,1801 votes and candidate No 3 Prathit Siangwan from the Democratic Labor Party got 603 votes.

The total number of eligible voters in the constituency is 199,081, and 34,322, or 17.24 percent, exercised their voting right. There were 1,146 invalid ballots representing 3.34 percent. Despite the low voter turnout, the people who exercised their voting right have done their duty under the democratic form of administration.

Khukrit Comments on Outcome

BKO80139 Bangkok BANGKOK POST in English 8 Jun 87 p 3

[Text] Prachakon Thai's victory in Constituency 3 will have a long-term effect on the Democrats in Bangkok, M.R. Khukrit Pramot said yesterday.

The former primer minister said it was clear from the start that Dr Bunthiam Khemaphirat would beat Democrat Aphichat Damdi, because the public had no faith in the Government.

While Prachakon Thai had the full support of its fellow opposition parties in the campaign, the Democrats' coalition partners were conspicuous by their absence.

The Opposition, he said, had capitalised on public disillusionment with the Government by concentrating their attacks on Gen Prem Tinsulanon.

M.R. Khukrit said he saw no quick end to this government because the Opposition could do nothing to overthrow it.

"With the backing of the coalition parties, the Democrats might have fared even worse because the people have lost faith in the Government, especially the Prime Minister," said M.R. Khukrit.

Expressing concern at yesterday's low turnout, M.R. Khukrit said it indicated a public loss of faith in the democratic system, Parliament and elections.

"Democracy can prevail only with elections. If the people shun elections, Parliament will not be Parliament and when someone does something against Parliament, no one will come up to protect it. That is a matter of grave concern," he said.

Democracy under Gen Prem, he said, was like a tree that does not die, but does not grow either.

BRIEFS

FOREIGN TRADE DEFICIT -- The Business Economics Department reported that during the first quarter of 1987, Thailand suffered a trade deficit of 6,922.5 million baht, an increase of 96.85 percent compared with the same period of last year. Imports increased by 17.44 percent while exports rose only 13.76 percent. During the same period, the total value of exports was estimated at 86,477.4 million baht, an increase of about 10,461.4 million baht compared with last year. [Excerpt] [Bangkok Domestic Service in Thai 0000 GMT 31 May 87 BK]

CANADIAN SATELLITE STATION ASSISTANCE -- Sa-nga Sapphasi, permanent secretary of the Ministry of Science, Technology and Energy, has disclosed that the Canadian Government has agreed to provide about 240 million baht for Thailand to improve its satellite ground station. The facility has enabled Thailand to receive data and information from satellites which can be used for study and survey in mineral resources, forestry, agriculture, geography, and map making. [Summary] [Bangkok Domestic Service in Thai 0530 GMT 26 May 87 BK]

RICE SALE TO MAURITANIA -- According to the deputy director general of the Foreign Trade Department, the Thai Government has agreed to sell about 35,000 metric tons of rice, worth 105 million baht, to Mauritania. Delivery is scheduled for between June and October of this year. [Excerpt] [Bangkok Voice of Free Asia in Thai 1030 GMT 26 May 87 BK]

AIR VIETNAM HOPING TO EXPAND ROUTE NETWORK

HKO80855 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 8 Jun 87 p 1

[Text] Hanoi: Air Vietnam is hoping to expand its network to include Hong Kong, Singapore, Paris and Tokyo as it seeks to make its mark in the booming Asian Airline industry.

According to a senior aviation official here, Vietnam is simultaneously anxious to attract foreign airlines to its airports -- especially Ho Chi Minh City, formerly Saigon -- as it moves slowly towards developing its tourist industry.

"We want to turn Ho Chi Minh City into a major economic center," said Le Van Chung, director of international relations for the General Civil Aviation Administration of Vietnam.

"We must therefore have it served by Western airlines, while carriers from socialist countries such as Aeroflot, CSA and Interflug (from the Soviet Union, Czechoslovakia and East Germany) will continue to serve Hanoi," Mr Chung said.

He said the fledgling Hong Kong airline Dragonair had proposed, through the British embassy in Hanoi, to start flights between the territory and Ho Chi Minh City, with a Hong Kong-Hanoi service to follow.

Dragonair's chief rival, Cathay Pacific Airways, had expressed the same idea, but through Air Vietnam's Bangkok office, Mr. Chung said.

"It is up to the British Government to choose between these two companies, but for our part, we are prepared right now to greet a delegation from Dragonair or to go to Hong Kong to negotiate with them."

Dragonair has been competing with Cathay Pacific for rights to fly to several Asian and international destinations. It currently operates only Boeing 737 aircraft, but has MacDonnell Douglas MD-11 long-haul jets on order.

The airline is owned by shipping magante Sir Y K Pao, who is known to have good contacts in Beijing.

Mr Chung said he thought an economic embargo imposed by Western and noncommunist nations since Vietnam's invasion of Cambodia in December 1978 had proved ineffective, and that neighbouring countries were now keen on strengthening ties.

The Association of Southeast Asian Nations -- grouping Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand -- have been inflexible.

Nevertheless, since 1977 Thai Airways has maintained flights to Hanoi -- the only Southeast Asian airline to do so.

Meanwhile, Philippines Airlines has just concluded an agreement with Air Vietnam for a weekly service between Manila and Ho Chi Minh City. The deal now awaits the two governments' approval.

"Thai Airways wants to operate service between Bangkok and Ho Chi Minh City, and Thai International has proposed creating a Bangkok-Ho Chi Minh City-Hong Kong route," said Mr Chung.

"We replied two months ago that we wanted to keep our links with Thai Airways on the Bangkok-Hanoi sector and also co-operate with Thai International, so as to have access to the rest of the world."

For the moment, only Air France is authorised to fly between Bangkok and the former capital of South Vietnam, twice a week, on the basis of an agreement signed in 1976 establishing a Paris-Ho Chi Minh City service.

This monopoly has allowed the French carrier to bring in hundreds of packages sent by Viet Kieu -- Vietnamese living overseas -- for their relatives.

Philippine Airlines is expected to carry Viet Kieu cargo from the west coast of the U.S., pending the day when it can fill seats with tourists.

Air Vietnam is hoping to expand its service. "In the five years, 1987-92, we plan to extend our international network, that is between Ho Chi Minh City and Singapore, Ho Chi Minh City and Hong Kong, Ho Chi Minh City and Paris, and Ho Chi Minh City and Tokyo," Mr Chung said.

BANGLADESH ENVOY BIDS FAREWELL TO PHAM VAN DONG

OWO81546 Hanoi VNA in English 1503 GMT 8 Jun 87

[Text] Hanoi VNA June 8 -- Mustafizur Rahman, ambassador of the People's Republic of Bangladesh to Vietnam, today paid a farewell visit to Chairman of the Council of Ministers Pham Van Dong before leaving here for home for new assignment.

PHAM VAN DONG GREETS NON-ALIGNED CHAIRMAN 8 JUNE

OWO81548 Hanoi VNA in English 1508 GMT 8 Jun 87

[Text] Hanoi VNA June 8 -- Chairman of the Council of Ministers Pham Van Dong today extended his warmest greetings to the chairman of the special ministerial conference of the non-aligned countries on South-South cooperation to be held in Pyongyang from June 9-13.

His congratulatory message says:

"Your conference takes place at a time while the economic situation in non-aligned and developing countries is encountering grave difficulties caused by negative impact of the inequitable international economic system manipulated by capitalism. The government of the Socialist Republic of Vietnam holds that such a situation requires the developing countries and the non-aligned movement to further strengthen their solidarity, promote the South-South cooperation on the basis of equality and mutual benefit, enhance collective self-sufficiency to resolve their urgent economic issues including the developing countries' problem of foreign debts, thus actively contributing to the struggle for peace, stability and a new international economic order". In conclusion the message wishes the conference brilliant success.

NHAN DAN FRONTPAGES 'N.V.L.' ARTICLE ON TRADE

BK090429 Hanoi Domestic Service in Vietnamese 2300 GMT 8 Jun 87

[Text] NHAN DAN today [9 June] carries on its front page an article on "Things That Must Be Done Immediately" by Comrade "N.V.L." The author writes:

The comrade minister of home trade sent a letter dated 6 June to NHAN DAN saying: Recently, negativism has become prevalent in the trade sector and at times serious in some localities. In order to regain the people's confidence and vigorously shift trade operations to socialist accounting and business transactions in accordance with the party Central Committee's second plenum resolution, the Ministry of Home Trade held a conference of all-sector cadres to exchange experience in strengthening the party and mass organizations building work to overcome negative phenomena. The conference set forth four demands and six measures to be immediately carried out.

This is very essential work that should receive a warm welcome. The Ministry of Home Trade has raised problems and discussed them scrupulously. The four demands and six measures set forth by the ministry are clear and concrete. It is, of course, more difficult to carry out these demands and measures. The people's confidence will be really restored when they see for themselves various new changes. As a result, trade sector cadres must clearly affirm their determination to fulfill all assigned tasks. I would like to add some more viewpoints as follows:

- 1. The Ministry of Home Trade must closely follow up various issues reported to it by the people and the press. After acknowledging the concrete nature of these issues, the ministry should provide guidance and quickly settle them, make the outcome of these issues public, and inform the entire trade sector of the outcomes to draw on the experience gained.
- 2. The Ministry should establish a time-table to review work that has and has not been done to draw on the experience, conduct criticism, and make prompt recommendations to create positive conditions for renovating and perfecting the cadre mechanism.
- 3. Leading comrades of various echelons must set a good example, maintain a clean record, and avoid such practice as bureaucratism and factionalism to gain prestige and maintain a strict and just stand in carrying out their tasks.
- 4. At present, many organs of the trade sector are confused about the shift to business accounting and efforts to control the market. Cadres of the sector must strive to firmly grasp the spirit of the party Central Committee's Second Plenum Resolution and stay close to realities. Opposing negativism and improving quality of cadres are tasks that will quickly help establish and disseminate the new work methods in compliance with new requirements of our national economy, thereby leading our socialist trade to gradually advance further qualitatively and quantitatively.

PEASANTS CONGRESS TO BE HELD IN SEPTEMBER

BK061425 Hanoi Domestic Service in Vietnamese 2300 GMT 4 Jun 87

[Text] Implementing the CPV Central Committee Secretariat's directive, the Collective Peasants Association will hold its first national congress in September 1987 in Hanoi.

So far, almost all provinces throughout the country have completed congresses at grass-roots units, while some have held congresses at the district level. Delegates to congresses at the grass-roots and district levels have carefully studied and discussed various draft documents on the situation, tasks, and statutes of the association to be presented at the coming national congress. They have also discussed orientations and tasks for the association designed for each locality in the days ahead.

Delegates to congresses at the grass-roots level have also thoroughly studied the resolutions of the Sixth CPV Congress and the party Central Committee second plenum, especially the part dealing with the policy on the exchange of goods between the state and the people. They have proposed that the party and state apply various measures to accelerate agricultural production so as to produce more grain, food, and goods for export, while striving to discover errors which may hamper production.

Delegates to grass-roots congresses in Thai Binh, Ha Nam Ninh, Hoang Lien Son Provinces, and outlying areas of Hanoi have frankly conducted self-criticism, presented the strong and weak points of the people in implementing party and state policies. Following these congresses, cadres working at grass-roots units have improved and perfected their work style, thereby ensuring the requirement of building a firm and strong association from the grass-roots level.

On this occasion, many localities have launched an emulation movement to score achievements to welcome the first national congress of the association, the national day on 2 September, and the commemoration of the 70th anniversary of the October Revolution.

BUI PHAN KY ARTICLE ON MILITARY THINKING

BK081550 Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Mar 87 pp 54-58

[Article by Major General Bui Phan Ky: "Some Initial Thoughts About Renovation of Thinking in Military Affairs"]

[Text] The political report of the CPV Central Committee at the sixth national party congress of delegates affirmed: "The party must be mature in political leadership, develop and concretize its lines, and work out correct solutions to the new problems of the cause of socialist construction and national defense. To enhance its fighting capacity and its practical organization ability, the party must carry out renovation in many aspects: renovation in thinking, first of all economic thinking; renovation in organization; renovation of the cadre contingent; renovation of the style of leadership and work... For our country, renovation is an imperative demand of the revolutionary cause and a matter of vital significance.... Only by means of renovation, first of all renovation of our thinking, can we overcome difficulties and achieve the objective set forth by the sixth congress." (Footnote 1) (Political Report)

The above content clearly points out: The aim of renovation is to enhance the fighting capacity and the practical leading ability of the party so as to achieve by all means the objectives set forth by the sixth party congress. Things that must be renovated are organization, the contingent of cadres, and the style of leadership and work, but first of all, the way of thinking. As for its significance, renovation is a vital matter and an imperative demand of the revolutionary cause.

In the spirit of seriously studying the resolution of the sixth party congress in order to implement it and by means of relating reality to logical thinking, let us try to understand the impact of the resolution on military issues.

Essentially, military affairs are the continuation of politics. With the exception of some ways and methods that must be applied in conformity with the peculiarities of armed struggle, it can be said that military affairs, "like war, are nothing but politics from start to finish." (Footnote 2) (V.I. Lenin: Complete Words, Su That Publishing House, Hanoi, 1963, Vol 25, p 30) Politics itself is the embodiment of economics. Therefore the demands for renovation of economic and sociopolitical thinking also unfailingly entail demands for renovation of military thinking. As the political report of the party Central Committee clearly pointed out, "For several years now, there have been many backward concepts in our perception of socialism, especially our conceptions of industrialization, socialist transformation, economic management mechanism, distribution and circulation of commodities, and so forth. This is a cause of the slow development and concretization of the general line and the economic line in the initial stage of the transitional period." As a component of the revolutionary line, the military line itself cannot yet be considered as having been fully concretized and developed and as having met all the new requirements of the cause of national defense.

In the light of the sixth party congress, we should boldly point out that, for several years now, the study of the party's military line and the military strategy of the people's war for national defense has been merely an effort to gain an understanding of the party's fundamental concepts and viewpoints on building and consolidating the all-people national defense, on building the people's armed forces, and on preparing and conducting the people's war for national defense in the new conditions of the Vietnamese revolution. Of course, we have concretized our military line, but perhaps this effort is still not enough to enable all cadres to smoothly and creatively apply this military line to all domains of the military science. In the field of the military art of the war for national defense in particular, we have only stopped at the study of basic intention, determination, and plans. Our study of the military art has not yet been fully and concretely carried out in such respects as objective, force, and strategic measure in a specific situation and on a specific battlefield. This study has also not yet correctly and sufficiently reflected the new steps of development required by the new target of combat activites and the new historical conditions of our country.

The military art of Vietnam's self-defense war is an art particularly characteristic of a nation that normally has had to use "a small force against a larger force to win great victories" in terms of potentials of all kinds and armed forces. This art has been closely bound by the factors of history, tradition, geographical and natural conditions, and Vietnamese society and people. Yet, more than a decade since the victory over the U.S. imperialists and 7 or 8 years since the defeat of expansionist aggressors, the military art of the people's war to defend the socialist Vietnamese fatherland has not clearly manifested its scope, character, and trait. How are we going to carry out the military strategy of gaining "mastery for offensive and staging offensive for mastery," and to combine the various procedures for staging war, applying tactics, and using the various armed branches and services and forces ... in a specific manner under different strategic circumstances and in various strategic operations and the various campaign and tactical forms of the armed struggle? How is the art going to be applied to thinly populated border areas, continental shelves, islands, and the seas and airspace? To enhance the effectiveness of the military line and to enrich the military art of the war for defending the socialist fatherland, many other similar questions must be raised and promptly answered in a unified manner.

Evidently, with a heroic nation, a well-seasoned army, and a well experienced strategic agency, we will certainly not remain passive in the face of any cruel trick by an aggressor. Yet it should also be noted that there have not so far been any tendencies to "import wholly" those procedures for organizing and using forces which are suitable only to those industrialized countries having numerous troops, great potentials and very high levels of technological development.

International alliance and cooperation is inevitable during the worldwide transition from capitalism to socialism. If it is impossible to build scientific socialism with the "closed-door policy" viewpoints of bourgeois nationalism, it is also impossible to firmly defend socialism by an "isolated" national defense system and "solitarily" waged wars of self-defense when our enemies have colluded with one another to form blocks of political and military aggression on an international scale. Once alliance and cooperation has been established, we must have unified viewpoints and guiding thoughts and must acquire the advanced experiences of friendly and fraternal countries. This does not mean, however, that we can simplistically apply nearly intact the military tactics and arts of modern countries with different topographical and climatic conditions to the conditions of our country.

The purpose of renovating thinking is to intensify the operational results and realistic organizational ability of the party. Renovating military thinking is to intensify the practical results of all activities of leadership, command, training, research...which are aimed at victoriously achieving all the military duties in the period of national defense.

Correct perception must correctly reflect, on the one hand, the nature of object perceived and, on the other, it must also reflect the inherent law governing the process of perception. It is impossible to use general ideas rather than scientific conclusions. Nor is it possible to use subjective desires to oppose objective laws.

According to its inherent law, the military line or doctrine of a country can strongly develop its effectiveness only within the unified system of viewpoints and guiding thoughts of the party and state on military issues.

Also according to its inherent law, the military art -- as the main component of military science regardless of whether it is a military strategy or the art of a campaign or tactic -- can strongly develop its effectiveness only in a continuous struggle between differing viewpoints and solutions to seek the best solution relevant to the enemy situation and ours in each period. In the military arts, proceeding from the experiments of various experienced militarists, we can accept the best projects but we cannot accept only a single correct project, for just as in solving a mathematical problem, there is a best solution but not necessarily a single correct one.

Therefore, in military thinking the concept of the military line is not absolutely similar to the concept of military art. The concept of military science research is not totally like the concept of command and leadership. The concept of training and teaching is not totally the same as the concept of research or command and leadership. Attaching the thinking process of one system to another system will generate unfortunate mistakes and will unnecessarily stifle creative thought. It is necessary to renovate thinking in distinguishing the different domains and subjects of operation—though they are closely linked together they are not totally identical—in order to enhance the leading effectiveness of the military viewpoints and concepts of the party while strongly developing the effectiveness of scientific research activities and military art so as to promptly perfect Vietnam's modern military science and art for the period of national construction and defense.

Scientific thinking procedures call for the use of already acquired knowledge and laws to study and experiment with phenomena and the developments of unknown or inadequately known things in order to find the most effective method to deal with them.

It is necessary to unify the assertion that we have gained a fairly profound knowledge of the various imperialist aggressors, but do not adequately know the expansionists and reactionaries. We understand well enough the characteristics and laws of liberation wars but not the nature and law of the border land nibbling war and the war for defending the socialist fatherland which are conducted on a large scale, using modern facilities and equipment, even though the liberation wars in our country have contained many of the elements of a national defense war.

Military science is an empirical science. Just as one cannot bathe twice in the same water of a stream, so one cannot wage a war twice with the same developments and ends. Since it is impossible to draw conclusions of military science in the laboratory, it is also impossible to think that a combat situation will unfurl like a training drill.

Correct conclusions on a war can be derived only from projects generally reviewing the nature of war and these projects can be formulated only when the war has ended. Conclusions derived from the projects that generally review previous wars merely give us hints about how to deal with future wars and not ready solutions to the wars. As a result, military thinking more than any other kinds of thinking must be truly "really advantage-seeking."

A target of combat activities not only always moves and develops but also constantly conceals its real strength and always tries to achieve surprise to mislead its adversary. Our aggressor enemies in the years ahead will certainly not totally resemble those we encountered nearly 10 years ago. If we still feel assured with the conclusions drawn from the review of the February 1979 war, we will certainly be very far behind the time.

It should be pointed out that, at present, not a few of our research cadres are still afraid of telling the truth about the enemy, about the difficulties we still have to face, because they think that doing so means to suffer from the malady of "right-wing deviation" and to show a lack of position and viewpoint (!?). However, the fundamental spirit of the resolution of the sixth party congress, with its totally Leninist viewpoint and methodology, pointed out that "...Both left-wing and right-wing deviations are manifestations of petty bourgeois thinking." The manifestations of "left-wing deviation" are essentially right-wing in nature because they give rise to the tendency to evade real problems which demand to be resolved in a totally revolutionary spirit and by serious and effective measures. The revolution demands that practical problems be raised openly and clearly, and that correct viewpoints and methodology be adopted to fully resolve them. The revolution does not ask for a difficult task to be portrayed as easy, a still elusive target described as a success firmly in hand. To build strong confidence among cadres, party members, and the masses, first of all we must equip them with a correct, objective, and scientific perception of things and orientations and with the most effective possible problem-solving measures. A correct understanding of the target of combat activities and adoption of correct viewpoints and measures to defeat the enemy will certainly help to build strong confidence.

To successfully develop a scientific way of thinking to enhance the effectiveness of activity and practical organizational capacity, we must continue studying and gain a firmer grasp of the party's revolutionary line and military line in the new period and must raise the level of basic Marxist-Leninst theory along with the specialized theories of the other domains of military science and art.

It is regrettable that during the recent decades, despite our highly diversified and effective practical military activities, the front of military theory has failed to develop accordingly, if not to say fairly slowly as compared to the field of practice.

To attach importance to practical activities is a very healthy manifestation of an active party and a contingent of cadres strong in leading and commanding the army in fighting and building. But if one neglects the front of theory, one can easily lapse into empiricism, subjectivism, and conservatism. Taking a severe look at it, we can say that this neglect has occurred in some places and at some echelons. Concerning the party's leadership mechanism at the grass-roots level and the policies relating to the building and consolidation of the all-people national defense and to the building of the armed forces...our ways of examining and doing things have not always been progressive and timely.

Renovation of military thinking is a major issue that requires careful and correct weighing of the pros and cons. Naturally, renovation does not mean rejection of past achievements and of soundly and correctly formulated guiding viewpoints and concepts.... However, military affairs in general and armed struggle in particular are a highly dynamic domain of the class struggle; tightly bound by economics, they tolerate no complacency and sluggishness. This is because our enemies will certainly not sit still waiting for us.

BRIEFS

SRV-BULGARIA JURIDICAL ACCORD — Hanoi VNA June 5 — A ceremony was held here today to exchange the instruments of ratifying an agreement on juridical assistance between Vietnam and Bulgaria signed in Sofia on Oct. 3, 1986. Memorandum of the exchange was signed by Vietnamese Deputy Minister for Foreign Affairs Nguyen Du Nien and Bulgarian Charge d'Affaires A.I. to Vietnam Margarit Chipkovenski. [Text] [Hanoi VNA in English 1540 GMT 5 Jun 87 OW]

SOVIET-VIETNAMESE MARINE STUDY — Hanoi VNA June 5 — In the past three months, Vietnamese and Soviet biologists have jointly conducted study of marine life on Vietnam's islands in the east sea. The researchers have discovered a number of rare reptiles and insects. They also studied the life of fish, crabs and mollusks on the shore of coral reefs. [Text] [Hanoi VNA in English 1522 GMT 5 Jun 87 OW]

TRI AN RESERVOIR CLEANUP -- Hanoi VNA June 4 -- The Tri An Hydro-Electric Power Project management board has reviewed the clearing of the bed of Tri An Water Reservoir to protect environmental sanitation and water resources in celebration of the 15th anniversary of the World Environment Day. In the past three years, working units have cleared 26,000 out of the 33,000 hectares of the reservoir bed to ensure the living environment and sanitary conditions for the water reservation in this rainy season. The Tri An Reservoir has a water surface of 33,000 hectares and a volume of 2.5 billion cubic metres which supply water for the Tri An Hydro-Electric Power Project, the biggest in the South, and for daily activities of six million people in the surrounding areas. [Text] [Hanoi VNA in English 1457 GMT 4 Jun 87 OW]

CORRECTION TO 'N.V.L.' ARTICLE IN NHAN DAN

The following correction pertains to the item headlined "'N.V.L.' Article on Tasks To Be Carried Out," published in the 4 Jun East Asia DAILY REPORT, page N 5. Make the sourceline read:

BK010544 Hanoi NHAN DAN in Vietnamese 30 May 87 pl ...correcting date of article.

END OF FICHE DATE FILMED 10 June 1987

